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In the Supreme Court
OF THE
United States

OCTOBER TERM, 1962

No. 322

ALEXANDER T. SPERRY,
Petitioner,

vs.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
to the Supreme Court of Florida

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vs.

STATE OF FLORIDA, ex rel., THE FLORIDA BAR,
Respondent.

PETITION FOR A WRIT OF CERTIORARI
to the Supreme Court of Florida

Alexander T. Sperry prays that a writ of certiorari issue to review the judgment of the Supreme Court of Florida entered in the above-entitled case on May 15, 1962.

CITATIONS TO OPINIONS BELOW

The corrected opinion of the Supreme Court of Florida (Tr. 114), printed in Appendix B, p. 12, *infra*, is pres-

ently unreported in the state reporter system but is reported at 133 U.S.P.Q. 157.

JURISDICTION

The original opinion and judgment of the Supreme Court of Florida was entered on April 4, 1962 (Tr. 84). A timely petition for rehearing (Tr. 106) was denied on May 15, 1962 (Tr. 113). At that time, the Court modified its opinion (Tr. 114), and the judgment (Tr. 131) became final. The jurisdiction of this Court is invoked under 28 U.S.C., Section 1257(3).

QUESTION PRESENTED

Petitioner, a non-lawyer, has been authorized by the Commissioner of Patents to practice before the United States Patent Office. Such practice consists of representing applicants, preparing and prosecuting their applications, and advising them in that connection. Petitioner has been regularly engaged in such practice in Florida but has been enjoined by the Court below, on the ground that such practice by non-members of the Florida bar is "unauthorized" practice of law.

The question presented is whether a *state* may prohibit such Patent Office practice by federally licensed lay practitioners—limiting the right to engage in it to members of its bar—when Congress has authorized the *Commissioner* to regulate all phases of such practice and has expressly authorized him to license qualified non-lawyers therefor.

CONSTITUTIONAL PROVISIONS, STATUTES, AND REGULATIONS INVOLVED

The constitutional provisions involved are the Patent and Copyright Clause (Art. I, Sec. 8, Cl. 8), the Necessary and Proper Clause (Art. I, Sec. 8, Cl. 18), and the Supremacy Clause (Art. VI, Cl. 2) of the Constitution of the United States. They are printed in Appendix A, p. 1, *infra*.

The statutes involved are Sections 31-33 of the Patent Act c. 950, 66 Stat. 792, 35 U.S.C. §§ 31-33. They are printed in Appendix A, pp. 1-2, *infra*.

The federal regulations involved are Rules 1, 341-348 of the Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 C.F.R. §§ 1.31, 1.341-1.348. They are printed in Appendix A, pp. 2-11, *infra*.

The state regulation involved is Section 2, Article 2, of the Integration Rule of the Florida Bar, 31 F.S.A. It is printed in Appendix A, p. 11, *infra*.

HOW THE FEDERAL QUESTION IS PRESENTED

The federal question was raised by petitioner at each stage of the litigation in the Court below—which was also the Court of first instance[1]—in the manner indicated in detail in the following Statement of the Case.

It was decided adversely to petitioner as indicated by the excerpts from the Court's opinion set out in the Statement.

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[1]The original jurisdiction of the Supreme Court of Florida was sustained by the Court under Section 23, Article V, of the Florida Constitution (Tr. 117-118, Appendix B, p. 15, *infra*).

STATEMENT OF THE CASE

Petitioner was admitted to practice by the United States Patent Office in 1928 and has been continuously registered for practice before it ever since (Tr. 34). When the present controversy arose, he maintained an office in Florida, where he actively and openly engaged in practice as a Patent Office practitioner (Tr. 32). That is, he held himself out as qualified to represent applicants in the Patent Office; he prepared and prosecuted patent applications; and as a necessary first step in the process, he advised potential applicants as to the patentability of their inventions (Tr. 33).

However, petitioner is not a member of the bar of any state, including the State of Florida (Tr. 33). That is true also of nearly a quarter of the nation's registered Patent Office practitioners, and of 54 of the 73 patent practitioners in Florida. It is further the fact that nearly half of the patent practitioners throughout the country are not members of the bar in the states in which they practice, and that 62 of the 73 patent practitioners in Florida are not members of the Florida Bar (p. 12, *infra*).

The Commissioner of Patents authorizes such non-lawyers to practice pursuant to a comprehensive federal regulatory scheme, which needs a brief description at the outset for an understanding of this case. By statute, Congress has authorized the Commissioner "to prescribe regulations governing" all phases of Patent Office practice, including admission thereto and exclusion therefrom (35 U.S.C.A. §§ 31-33); and further, has expressly authorized the Commissioner to admit to practice not only attor-

neys, but "agents" and "other persons" as well (35 U.S.C. § 31). Accordingly, the Commissioner has prescribed detailed regulations pursuant to that broad congressional mandate (37 C.F.R. §§ 1.31, 1.341-1.348). Those regulations expressly provide for practice by qualified non-lawyers (37 C.F.R. § 1.341(b)).

The prerequisites for admission to practice—applicable equally to lawyers and non-lawyers—are spelled out by the Patent Act and the Commissioner's regulations. Applicants for admission must be of good moral character and good repute, and must show that they possess the legal, scientific and technical qualifications required to enable them to serve patent applicants effectively in the presentation and prosecution of applications in the Patent Office (35 U.S.C. § 31; 37 C.F.R. § 1.341(c)). Additionally, applicants must pass a rigorous examination administered by the Patent Office (37 C.F.R. § 1.341(c)).

All persons who have met those requirements, whether or not they are lawyers, are "admitted to practice before the Patent Office" (37 C.F.R. § 1.341(a), (b)), and their names are enrolled on an appropriate register of practitioners who are "recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" (37 C.F.R. § 1.341). Their practice must conform to the extensive Patent Office Rules of Practice in Patent Cases (37 C.F.R. §§ 1.1-1.352), including the standards of professional conduct prescribed thereby (e.g., 37 C.F.R. §§ 1.344, 1.345); and failure to observe those requirements may result in disciplinary proceedings before the Patent Office, leading to suspension or exclusion from practice, subject only to

review by the federal courts (35 U.S.C. § 32; 37 C.F.R. § 1.348).

The present controversy arose on February 23, 1961, when the Florida Bar instituted this action by petitioning the Supreme Court of Florida for a rule requiring petitioner to show cause why he should not be enjoined from engaging in the unauthorized practice of law (Tr. 3). The Bar contended, in substance, that the activities in which petitioner was engaged are unlawful when performed by a non-member of the state bar, under Section 2, Article 2, of the Integration Rule of the Florida Bar (Tr. 4, 5).[2]

On March 6, 1961, the Court issued the requested rule to show cause (Tr. 31), and ten days later petitioner filed a responsive pleading (Tr. 32). In it, he admitted that he was engaged in the activities here in question (Tr. 32, 33), and alleged, by way of defense, that he was registered for such practice by the United States Patent Office (Tr. 34). In his supporting brief, he argued that his activities did not constitute unauthorized practice of law within the meaning of the state Integration Rule (Tr. 60-67). In any event, he contended, he was authorized to engage in those activities without becoming a member of the Florida Bar, as a matter of federal law. He claimed that right, by virtue of his Patent Office registration, under the Patent and Copyright, Supremacy and Due Process clauses of the Federal Constitution, the practice provisions of the Patent Act (35 U.S.C. §§ 31-33), and the

[2] "2. No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing * * *."

registration provisions of the Patent Office Rules of Practice (37 C.F.R. § 1.341 et seq.). Therefore, he insisted, his activities were beyond the power of the state to prohibit (Tr. 67-70).[3]

As there was no dispute concerning the material facts, the cause was argued and submitted on the pleadings and briefs, without the taking of testimony (Tr. 116).

On May 4, 1962, the Court filed an original opinion (Tr. 84), which, with a minor change mentioned hereafter, eventually became its final decision (Tr. 114; Appendix B, p. 12, *infra*). In the opinion, the Court disposed of the state law questions first, holding that for purposes of the Integration Rule, the representation of applicants before the Patent Office in the preparation and prosecution of patent applications constitutes the practice of law (Appendix B, pp. 24-25, *infra*). Then, addressing the federal question,[4] it held that petitioner's federal license did not give him the right to engage in such practice without complying with the state's requirements for admission to law practice (Appendix B, p. 30, *infra*); and indeed, on the contrary, that even though the Patent Office had licensed petitioner to practice before it, the state's police

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[3]Pertinent excerpts from the responsive pleading and the supporting brief are printed in Appendix D, pp. 66-76, *infra*, in compliance with Rule 23(1)(f) of the Revised Rules of this Court.

[4]In its opinion the Court phrased the question as follows: "• • • whether, [petitioner] having been licensed to practice before it by the Patent Office, this state has the power to deny [him] the right to so practice in this state." (Appendix B, p. 17, *infra*). And again: "• • • whether [petitioner], by virtue of his admission to practice before the Patent Office as a Patent Attorney, has the right to [engage in the activities here in question] in this state without being admitted to the Florida Bar." (Appendix B, pp. 25-26, *infra*.)

power permits it "to deny [him] the right to so practice" in Florida (Appendix B, p. 17, *infra*). In other words, the Court was of the opinion that federal law did not, and could not, authorize petitioner to engage in Patent Office practice in Florida without being admitted to the Florida Bar.[5]

Therefore, the Court enjoined petitioner from, inter alia, preparing and prosecuting applications for letters patent and amendments thereto; from holding himself out as qualified therefor; from rendering opinions as to patentability—concededly a necessary first step in representing another in securing a patent (Appendix B, p. 22, *infra*); from describing himself as a "patent attorney" in accordance with his Patent Office registration[6]—a prac-

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[5]In point is the following passage from the Court's opinion (Appendix B, p. 29, *infra*):

> "It is generally held that a state acting under its police power has the right to define the practice of law and to determine who is qualified to practice within its borders. • • •
>
> "We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and [petitioner] has cited us none. [But see, however, Appendix D, pp. 69-74, *infra*.] We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.
>
> "We therefore hold that the license to practice before the Patent Office held by [petitioner] does not give him the right to do in this state those things [in question here]."

[6]All persons registered with the Patent Office prior to November 15, 1938, were registered as "patent attorneys," whether they were attorneys at law or not, and such registrations have not been changed by the Patent Office. Non-lawyers admitted subsequently are registered as "patent agents." There is no differentiation between "patent attorneys" and "patent agents," however, with respect to the activities authorized by their registration (see, e.g., 37 C.F.R. §§ 1.31 and 1.341, Appendix A, pp. 2-6, *infra*).

tice which he had voluntarily ended (Tr. 33).[7] The injunction was limited, of course, to such activities within the State of Florida (Appendix B, p. 33, *infra*).

On April 16, 1962, before the Court's decision became final, petitioner filed a timely petition for rehearing (Tr. 106). In it, he pointed out the squarely conflicting decision of the Ohio Court of Appeals in *Battelle Memorial Institute v. Green et al.*, 133 U.S.P.Q. 49 (unreported in the state reporter system, but printed in Appendix C, p. 34, *infra*). That case, which reversed certain trial court decisions mentioned in the original opinion below (Tr. 89a),[8] held that the federal government had occupied the field of Patent Office practice regulation to the exclusion of the states; and that, as a consequence, the states have no power to prohibit the preparation and prosecution of patent applications by registered Patent Office practitioners, even though those practitioners are not authorized by state law to engage in the practice of law (Appendix C, p. 45, *infra*). Petitioner there

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[7]In addition to the activities described above, the injunction prohibited petitioner from otherwise engaging in the practice of law (Appendix B, p. 33, *infra*). However, petitioner attacks the injunction here only insofar as it prohibits him from engaging in the specific activities mentioned above, covered by his federal license to practice before the Patent Office. He does not claim that he has any right otherwise to engage in activities that would be regarded as the practice of law.

[8]*Battelle Memorial Institute v. Green, et al.*, 84 O.L.A. 353, 173 N.E.2d 201 (Ohio Court of Common Pleas, Franklin County, 1961); *In re Battelle Memorial Institute*, 170 N.E.2d 774 and 172 N.E.2d 917 (Ohio Court of Common Pleas, Franklin County, 1960). Also cited in the original opinion below, but deleted from the final version, was another decision which was, in effect, overruled by the Court of Appeals in the *Battelle* case: *Marshall v. New Inventors Club, Inc.*, 69 O.L.A. 578, 117 N.E.2d 737 (Ohio Court of Common Pleas, Cuyhoga County, 1953).

fore sought further consideration of the Court's conclusions with respect to the federal question (Tr. 107-109).

On May 15, 1962, the Court filed a "corrected" opinion from which references to the reversed Ohio decisions had been deleted (see Appendix B, p. 19, fn., *infra*). With that minor modification of the Court's opinion, the petition for rehearing was denied (Tr. 113). The next day, the Court stayed execution and enforcement of its judgment for ninety days, to enable petitioner to seek review by this Court (Tr. 133).

REASONS FOR GRANTING THE WRIT

1. The question presented involves a clear conflict, of obvious gravity, between an exercise of federal power to regulate practice before a federal agency and the exercise of a state's power to regulate the practice of law. The problem affects numerous persons. It further affects, not only the orderly administration of the United States patent system, but also practice before other federal agencies which, like the Patent Office, license lay practitioners without reference to state practice requirements.

The Patent Office is one of the oldest federal agencies which has existed continuously down to the present day. The first Patent Act passed by Congress was in 1790, c. 7, 1 Stat. 109, §§ 1-7, and the first patent was granted in the same year. The Patent Office itself was established in 1836, pursuant to the provisions of the Patent Act of 1836, c. 357, 5 Stat. 117, §§ 1-21.

Although there was no express authorization from Congress before 1922, it had long been the custom of the

Patent Office to permit lay practitioners to represent patent applicants before the Patent Office. In 1922, Congress provided specifically that the Commissioner of Patents could recognize both attorneys and non-attorneys to represent patent applicants.[9] Since that time, and up to the present, the Commissioner has registered many non-attorneys to represent patent applicants, upon a suitable showing by these persons of their ability to carry on such practice properly.

If the court below is right, i.e., that a state has the power to declare that non-attorneys cannot represent patent applicants within the state, even though duly registered with the Patent Office, then it would clearly be within the power of the state to eliminate the class of lay practitioners sanctioned by Congress and supervised by the Commissioner of Patents.

The practical importance of the question is demonstrated by the number of patent practitioners in Florida who are directly affected by the decision below and by the large percentage of the nation's patent practitioners who are indirectly affected.

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[9]Patent Act of 1922, c. 58, 42 Stat. 390, § 3:

"The Commissioner of Patents, subject to the approval of the Secretary of the Interior, may prescribe rules and regulations governing the recognition of agents, attorneys or other persons representing applicants or other parties before his office, and may require of such persons, agents, or attorneys before being recognized as representatives of applicants or other persons, that they show that they are of good moral character and in good repute, are possessed of the necessary qualifications to enable them to render to applicants or other persons valuable service, and are likewise competent to advise and assist applicants or other persons in the presentation or prosecution of their applications or other business before the office . . ."

The pamphlet "Patent Attorneys and Agents available to represent Inventors before the U. S. Patent Office"[10] lists 73 patent practitioners in Florida. Of these, only 11 are admitted to the Florida Bar. Eight others are attorneys admitted in other states, and 54 are, like petitioner, not admitted to any bar. The decision of the Court below will thus forbid 62 of the 73 patent practitioners in Florida from continuing in Florida to represent patent applicants before the Patent Office.

The decision below will also have an indirect effect on patent practitioners throughout the nation. As of January 23, 1962, the official records of the Patent Office[11] list 7,232 persons in the United States who are registered to represent patent applicants before the Patent Office. Of these, over 45% (3,307) are not admitted to the bar of the state in which they practice.[12] Regardless of the present attitude of the individual states to the continued practice of patent practitioners who are not members of the bar of the state, it is obvious that these states could decide at any time to adopt the reasoning and holding of the court below and forbid this practice

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[10]U. S. Department of Commerce, Patent Office, October 1, 1961, available from the Superintendent of Documents, U. S. Government Printing Office.

[11]Maintained in accordance with the provisions of 37 C.F.R. 1.341, Appendix A, p. 3, *infra*.

[12]This list breaks down as follows:

Attorneys having office addresses in states where they are members of the bar	3,925
Attorneys having office addresses in states where they are not members of the bar	1,619
Lay "Patent Attorneys" registered prior to November 15, 1938	513
Lay "Patent Agents" registered subsequent to November 15, 1938	1,175

entirely. Therefore, the rights of all of these patent practitioners to continue in the pursuit of the occupation for which they have trained and qualified will remain clouded until the question here is determined by this Court.

The decision below will directly affect a large number of the public who are patent applicants and who are currently being represented by registered lay practitioners. As indicated by the record (Tr. 112) petitioner has over 50 patent applications pending in the Patent Office. If he is unable to continue in practice, all of these patent applicants must then obtain representation by the few (11 out of 73) practitioners who are approved by the State of Florida. The same would be true of all of the patent applicants represented by the other 61 unapproved patent practitioners. Naturally, a similar result would be reached if all of the states were to follow Florida and were to eliminate from practice almost half of the persons so authorized by the Patent Office to represent patent applicants. Since there are currently in excess of 190,000 patent applications pending in the Patent Office,[13] it is plain that the elimination of lay practitioners would wreak havoc with the orderly administration of the Patent Office.

The question presented acquires even greater importance by virtue of the fact that the decision below not only affects the administration of the Patent Office, but would also serve as a basis for state control over lay

[13] Official Gazette of the United States Patent Office, Vol. 780, No. 2, p. 370, July 10, 1962.

practitioners who have duly qualified to represent persons before other federal agencies.

For example, the Tax Court of the United States permits qualified lay practitioners, e. g. certified public accountants, to represent persons in the preparation and trial of cases in the Tax Court.[14] The decision below clearly shows that Florida considers that it has the power to forbid this practice by laymen and the power to limit practice before the Tax Court to persons only who are members of the Florida bar.

Similarly, the federal Interstate Commerce Commission provides for the representation of persons before it by qualified lay practitioners.[15] Again, the rights of these

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[14]Rule 2 of the Rules of Practice before the Tax Court of the United States, 22 F.R. 278, 26 C.F.R. § 701.2, provides in part as follows:

> "*Admission to practice.* An applicant who establishes to the satisfaction of the Court that he or she is a citizen of the United States, of good moral character and repute, and possessed of the requisite qualifications to represent others in the preparation and trial of cases, may be admitted to practice before the Court subject to the specific requirements stated hereafter in this Rule.
>
> • • • •
>
> "An applicant, not an attorney-at-law, as a condition of being admitted to practice, must pass a written examination given by the Court and the Court may require such person in addition, to take an oral examination. Any person who has thrice failed such examinations shall not thereafter be eligible to take another examination. Any person who has thrice failed such examinations shall not thereafter be eligible to take another examination for admission."

[15]Rule 8 of the General Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts, 21 F.R. 7327, 49 C.F.R. § 1.8, provides in part as follows:

> "*Practitioners' qualifications and classes.* The following classes of persons whom the Commission finds, upon consideration of their applications, to be of good moral character and to possess the requisite qualification to represent

practitioners to continue in the occupation for which they have qualified are severely clouded by the decision below.

Petitioner does not have available the statistics as to the number of lay practitioners who are qualified to practice before federal agencies other than the Patent Office, but submits that it is undoubtedly a large class. Certainly there are many accountants throughout the United States who regularly practice before the Treasury Department or Tax Court. However, regardless of the exact number, all would be embraced by the reasoning and decision of the Court below.

2. The question presented has never been determined by this Court and will remain unsettled until it is, because the decision below is in conflict with decisions by the courts in other states, as indicated hereafter:

a) As has been mentioned in the Statement of the Case above, the decision below is squarely in conflict with the decision of the Ohio Court of Appeals in *Battelle Memorial Institute v. Green et al.*, 133 U.S.P.Q. 49 (1962) (Appendix C, pp. 34-52, *infra*). That decision, by an intermediate Ohio appellate court, has been appealed to the Supreme Court of Ohio and is presently pending there. No decision of the latter Court is expected, however, until after this petition has been presented to this Court.

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others may be admitted to practice before the Commission:

* * * *

"(b) *Persons not attorneys.* Any person not an attorney at law who is a citizen or resident of the United States, and who shall satisfy the Commission that he is possessed of the necessary legal and technical qualifications to enable him to render valuable service before the Commission, and that he is otherwise competent to advise and assist in the presentation of matters before the Commission."

In the *Battelle* case, the State Bar of Ohio sought to enjoin the Battelle Memorial Institute from the unauthorized practice of law. The acts complained of, like here, were the preparation, filing and prosecution of patent applications in the Patent Office. The trial Court held that these acts constituted unauthorized practice of law by a corporation. The Court of Appeals reversed and dismissed, on the ground that the federal government had preempted the regulation of Patent Office practice, leaving the states no power to superimpose their own requirements thereon.

The Court of Appeals, after reviewing the pertinent provision of the Constitution of the United States,[16] the Patent Act[17] and the Rules of Practice of the U. S. Patent Office in Patent Cases,[18] concluded:

> "Normally, the practice of law is controlled exclusively by the judiciary. The reason why lawyers are officers of the court, and therefore subject to the control of the court is that they are admitted by order of the court. However, persons admitted to practice of law by the Ohio courts are not thereby qualified or authorized to practice in patent matters before the U.S. Patent Office. This power has been reserved by the United States Constitution to Congress, and in turn by Congress it has been granted only to the Commissioner of Patents. This leaves the Ohio courts in the position of being unable to

[16]Article I, Sec. 8, Cl. 8 and Article VI (Appendix A, p. 1, *infra*).

[17]35 U.S.C. 31-33 (Appendix A, p. 1, *infra*.).

[18]Rules of Practice 31, 341(c), and 348, 37 C.F.R. 1.31, 1.341(c), 1.348 (Appendix A, p. 2, *infra*).

exercise control over that which they do not have the power to authorize in the first instance.

"The case of The Land Title Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, and other cases dealing with practice of law, as distinguished from practice before the United States Patent Office, are not relevant, not being cases in which a superior right has been retained in the federal government by the United States Constitution.

"Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

• • • •

"For the reasons set forth, we conclude that control of practice before the U.S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering."

By way of contrast, the Court below held that the power of the Patent Office to determine who may practice before it does not prevent the State of Florida from interfering and, indeed, forbidding such practice.

b) The decision below is also in conflict with a decision of the Supreme Court of Missouri concerning lay practice before the Interstate Commerce Commission.

In *DePass v. B. Harris Wool Co.*, 346 Mo. 1038, 144 S.W.2d 146, 147 (Supreme Court of Mo., 1940), (Appendix C, pp. 52-59, *infra*), the plaintiff, a non-lawyer who was authorized to practice before the Interstate Commerce Commission, filed suit against the defendant who had employed him to represent the defendant on a contingent fee basis in rate reduction cases before the Interstate Commerce Commission. The defendant offered as its defense that the contract was void as against public policy because the plaintiff was not licensed to practice law in the State of Missouri and hence was performing services there that would be the unauthorized practice of law. In reversing the lower Court's order sustaining the defendant's demurrer to the plaintiff's petition, the Supreme Court of Missouri held:

> "Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission had adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts 1B 2(b). Such rules have the force and effect of law. • • •
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>
> "• • • The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, au-

thorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. • • •

• • • •

"Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act 'made in pursuance' to the Federal constitution."

c) The decision of the Florida Supreme Court is further in conflict with a decision by the highest court in Massachusetts concerning the practice of a non-lawyer in bankruptcy matters in federal courts.

In *In re Lyon*, 301 Mass. 30, 16 N.E.2d 74, 77 (Supreme Judicial Court of Massachusetts, 1938), (Appendix C, pp. 59, infra), the state proceeded against several non-attorneys who maintained a collection agency and who rendered services requiring legal knowledge and skill. The trial justice held that they were engaged in the unauthorized practice of law under state law, and enjoined them generally and specifically from so continuing. The injunction specifically prohibited them from representing creditors in proceedings in bankruptcy in the federal courts. An appeal was taken, inter alia, on the grounds that federal law permits laymen to represent creditors to some

extent in bankruptcy proceedings and that the injunction by the state in this area was too broad.

The Supreme Judicial Court agreed with this position and held:

> "The references to proceedings in bankruptcy and to the District Court of the United States will remain in paragraphs 9 and 12 of the order, but the wording of those paragraphs will be modified by adding a statement or proviso that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established practice of the Federal government or of its courts controlling methods of practice in respect to matters within Federal jurisdiction."

In support of this, the Court stated:

> "It is the declared policy of this Commonwealth that only members of its bar should practise law or hold themselves out as authorized to practise law.
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> • • • •
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> "We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction. Within these limits enforcement of our act according to its terms does not interfere with any Federal function. But if it be true, as the respondents contend, that Federal law permits a layman to

make a business of representing creditors to some extent in bankruptcy proceedings, we do not undertake to interfere with the exercise of that privilege."

d) In addition to the above cases, the conflict between state and federal powers over the regulation of lay practitioners admitted to practice before the indicated federal agencies has been considered in the following cases:

Public Service Traffic Bureau v. Haworth Marble Co., 40 O. App. 255, 178 N.E. 703 (Ohio Court of Appeals, 1931) (Interstate Commerce Commission);

Brooks v. Mandel-Witte Co., 54 F.2d 992 (C.A. 2, 1932) (U. S. Customs Court);

Schroeder v. Wheeler, 126 Cal.App. 367, 14 P.2d 903 (Calif. Dist. Ct. of Appeal, 1932) (Patent Office);

Merrick v. American Security & Trust Co., 107 F.2d 271 (C.A.D.C. 1939) (Tax);

Sharp v. Mida's Research Bureau, 45 N.W.S.2d 690 (Sup.Ct. New York City, 1943) (Patent Office);

Auerbacher v. Wood, 139 N.J.Eq. 599, 53 A.2d 800 (Court of Chancery of New Jersey, 1947) (Tax Court);

Chicago Bar Association v. Kellogg, 338 Ill. App. 618, 88 N.E.2d 519 (Illinois Appellate Court, 1949) (Patent Office);

In re Kearney, 63 So.2d 630 (Supreme Court of Florida, 1953) (Tax Court);

Marshall v. New Inventor's Club, 69 O.L.A. 578, 117 N.E.2d 737 (Ohio Court of Common Pleas, Cuyhoga County, 1953) (Patent Office);

Agran v. Shapiro, 273 P.2d 619 (Appellate Division, Superior Court, Los Angeles, Calif:, 1954) (Tax Court);

Noble v. Hunt, 95 Ga. App. 804, 99 S.E. 2d 345 (Ga.Ct.App., 1957) (U.S. Treasury and Tax Court).

Insofar as these cases touch upon the federal question presented here, the conclusions reached lack uniformity. However, in view of the frequency with which the question is raised, directly or indirectly, and in view of the unsettled state of the law thereon, it is submitted that this Court should now take and decide this matter.

3. The decision of the Florida Supreme Court is clearly erroneous in that it is an improper attempt by a state to exercise control in an area preempted by the federal government.

The Constitution of the United States empowers Congress to establish a patent system (Article I, Sec. 8, Clause 8, Appendix A, p. 1, *infra*). Pursuant thereto, Congress has passed various patent acts, the present act comprising c. 950, 66 Stat. 792, §§ 1-293, 35 U.S.C. §§ 1-293.

Under the present patent act, Congress has specifically vested the Commissioner of Patents with authority to allow both lawyers and non-lawyers to represent patent applicants before the Patent Office (35 U.S.C., 31, Appendix A, p. 1, *infra*). To carry this out, the Commissioner of Patents has adopted Rules 31 and 341(c) of the Rules of Practice of the United States Patent Office in Patent Cases, 37 C.F.R. 1.31 and 1.341(c), (Appendix A, p. 2, *infra*), which set forth the requirements neces-

sary to qualify a person for registration with the Patent Office for practice before it.

These requirements for admission to practice before the Patent Office make it clear that skill in engineering and scientific matters, and familiarity with patent procedures, are as necessary as skill in legal matters. It is furthermore clear that, insofar as practice before the Patent Office is concerned, lawyers and non-lawyers are subject to the same requirements for admission and are entitled to perform the same acts.

The Rules of Practice of the Patent Office in Patent Cases further provide for standards of professional conduct of registered lawyers and non-lawyers, which standards are the same for each class (37 C.F.R. 1.344, Appendix A, p. 7, *infra*). In addition, the Rules of Practice of the Patent Office in Patent Cases establish the procedure wherein registered lawyers and non-lawyers may be disciplined by suspension, disbarment or exclusion from practice (37 C.F.R. 1.348, Appendix A, p. 9, *infra*).[19]

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[19] The Commissioner of Patents is also authorized by § 41 of the Trademark Act of 1946, c. 540, 60 Stat. 427, 15 U.S.C. 1123, to regulate the conduct of proceedings in the Patent Office in connection with trademark applications, and has adopted 37 C.F.R. 2.12 (Rules of Practice of the Patent Office in Trademark Cases) wherein attorneys and certain non-attorneys may represent trademark applicants. In this instance, however, 37 C.F.R. 2.12 provides that:

> "(d) Recognition of any person under this section is not to be construed as sanctioning or authorizing the performance of any acts regarded in the jurisdiction when performed as the unauthorized practice of law."

It is thus clear that the Commissioner of Patents knew exactly how to phrase a rule such that it would remain in the power of a state to regulate the activities of a trademark practitioner. However, there is no corresponding provision in the Rules of Practice of the United States Patent Office in Patent Cases which would permit state control over patent practitioners.

We submit that Title 35 of the United States Code and the comprehensive regulatory scheme set forth in the Rules of Practice of the Patent Office show unequivocally that it has been the intention of Congress that the Commissioner of Patents shall have exclusive control over the admission to practice and the practice of persons, both lawyers and non-lawyers, before the Patent Office.[20] This exclusive control is emphasized in Rule 343 of the Rules of Practice of the Patent Office (37 C.F.R. 1.343) which reads:

> "No person or firm not registered or specifically recognized as provided in Rule 1.342 will be permitted to prosecute applications of others before the Patent Office."

The Supremacy Clause of the Constitution of the United States binds the states to accept the Constitution and laws made pursuant thereto. Therefore, there is no power left in a state to superimpose requirements for registration to practice before the Patent Office, nor does a state have power to forbid a duly registered non-attorney to practice within the state solely because he is not a member of the bar of the state.

If the State of Florida deems it inadvisable that patent applicants be represented by lay practitioners, then it should submit such a proposition through its elected representatives to Congress for consideration by that body.

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[20] In connection with the discipline of a registered patent practitioner, this Court stated in *Kingsland v. Dorsey*, 338 U.S. 318, 70 S.Ct. 123, 94 L.Ed. 123 (1949):

> "• • • It was the Commissioner, not the courts, that Congress made primarily responsible for protecting the public from the evil consequences that might result if practitioners should betray their high trust. • • •"

It should not undertake on its own to forbid practice in a specific area in which power has been delegated to, and occupied by, Congress and the Commissioner of Patents.

Petitioner is, by express provision of federal law, "entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent" (37 C.F.R. § 1.341). Yet the Court below has enjoined him from doing just that. It had neither the right nor the power to do so.

CONCLUSION

For the foregoing reasons, this petition for a writ of certiorari should be granted.

Dated, San Francisco, California,
August 4, 1962.

Respectfully submitted,
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(Appendices Follow.)

Appendix A

Constitution of the United States

Art. I, Sec. 8, cl. 8. The Congress shall have power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Art. I, Sec. 8, cl. 18. The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

Art. VI, cl. 2. This Constitution, and the Laws of the United States which shall be made in Pursuance thereof and all treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land; and the Judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding.

Patent Act of 1952, c. 950, 66 Stat. 792, §§ 31-33, 35 U.S.C. §§ 31-33.

§ 31. The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character

and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

§ 32. The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under section 31 of this title, or who shall, by word, circular, letter, or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective applicant, or other person having immediate or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded.

§ 33. Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense.

Rules of Practice of the United States Patent Office in Patent Cases, 24 F.R. 10332, 37 CFR §§ 1.31, 1.341-1.348.

§ 1.31. Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute

his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases. The Patent Office cannot aid in the selection of an attorney or agent.

§ 1.341. Registration of attorneys and agents. A register of attorneys and a register of agents are kept in the Patent Office on which are entered the names of all persons recognized as entitled to represent applicants before the Patent Office in the preparation and prosecution of applications for patent. Registration in the Patent Office under the provisions of these rules shall only entitle the persons registered to practice before the Patent Office.

(a) *Attorneys at law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provision of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents.

(c) *Requirements for registration.* No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the

legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office.

(d) *Registration of firms.* Any firm, the individual members of which are each registered on the register of attorneys, may have its name entered upon the register of attorneys. Any firm, one of the individual members of which is registered on the register of agents and each of the remaining individual members are registered either on the register of attorneys or the register of agents, may have its name entered on the register of agents. If the membership of the firm is changed, application must be made for registration of the firm as changed.

(e) *Foreign patent attorneys and agents.* Any foreign patent attorney or agent not a resident of the United States who shall file proof to the satisfaction of the Commissioner that he is registered and in good standing before the patent office of the country in which he resides and practices, and is possessed of the qualifications stated

in paragraph (c) of this rule, may be registered on the register of agents as entitled to represent applicants located in such country before the United States Patent Office in the presentation and prosecution of applications: *Provided*, That the patent office of such country allows substantially reciprocal privileges to those admitted to practice before the United States Patent Office. Such registration shall continue only during the period that the conditions specified obtain.

(f) *Government employees.* Officers and employees of the United States who are disqualified by statute (18 U.S.C. 281) from practicing as attorneys or agents in proceedings or other matters before Government departments or agencies, may not be registered, and if any registered attorney or agent becomes such an officer or employee, his name on the register shall be endorsed as inactive during the period of such employment, but officers or employees whose official duties require the preparation and prosecution of applications for patent may be registered (on compliance with these rules) or recognized to practice, to the extent necessary to carry out their official duties.

(g) *Former examiners.* No person who has served in the examining corps of the Patent Office will be registered after termination of his services, nor, if registered before such service, be reinstated, unless he undertakes (1) not to prosecute or aid in any manner in the prosecution of any application pending in any examining division in which he served, on the date he left said division; and (2) not to prepare or prosecute nor to assist in any manner in the preparation of prosecution of any appli-

cation of another filed within two years after the date he left such division, and assigned to such division, without the specific authorization of the Commissioner. Associated and related classes in other divisions may be required to be included in the undertaking or designated classes may be excluded. In case application for registration or reinstatement is made after resignation from the Office, the applicant will not be registered, or reinstated, if he has prepared or prosecuted, or assisted in the preparation or prosecution of any such application as indicated in this paragraph.

(h) *Oath and registration fee.* Before his name may be entered on the register of attorneys or on the register of agents, every applicant for registration must, after his application is approved, subscribe and swear to an oath prescribed by the Commissioner of Patents and pay the prescribed registration fee. (See § 1.21.)

(i) *Committee on Enrollment.* The Commissioner may establish a Committee on Enrollment to receive and act upon applications for registration to practice before the Patent Office, to conduct and supervise the examinations provided for in paragraph (c) of this rule, to maintain the registers and to perform such other duties in connection with enrollment and recognition of attorneys and agents as may be necessary; or such functions may be performed by designated officials of the Patent Office. Any action of such committee or official may be reviewed by the Commissioner.

§ 1.342. Limited recognition. Any person not registered and not entitled to be recognized under § 1.341 as an attorney or agent to represent applicants generally may,

upon a showing of circumstances which render it necessary or justifiable, be recognized by the Commissioner to prosecute as attorney or agent a specified application or applications, but this limited recognition shall not extend further than the application or applications specified.

§ 1.343. Persons not registered or recognized. No person or firm not registered or specifically recognized as provided in § 1.342 will be permitted to prosecute applications of others before the Patent Office.

§ 1.344. Professional conduct. Attorneys and agents appearing before the Patent Office must conform to the standards of ethical and professional conduct generally applicable to attorneys before the courts of the United States.

§ 1.345. Advertising. (a) The use of advertising, circulars, letters, cards, and similar material to solicit patent business, directly or indirectly, is forbidden as unprofessional conduct, and any person engaging in such solicitation, or associated with or employed by others who so solicit, shall be refused recognition to practice before the Patent Office or may be suspended, excluded or disbarred from further practice.

(b) The use of simple professional letterheads, calling cards, or office signs, simple announcements necessitated by opening an office, change of association, or change of address, distributed to clients and friends, and insertion of listings in common form (not display) in a classified telephone or city directory, and listings and professional cards with biographical data in standard professional directories shall not be considered a violation of this rule.

(c) No agent shall, in any material specified in paragraph (b) of this section or in papers filed in the Patent Office, represent himself to be an attorney, solicitor or lawyer.

§ 1.346. Signature and certificate of attorney. Every paper filed by an attorney or agent representing an applicant or party to a proceeding in the Patent Office must bear the signature of such attorney or agent, except papers which are required to be signed by the applicant or party in person (such as the application itself and affidavits required of applicants). The signature of an attorney or agent to a paper filed by him, or the filing or presentation of any paper by him, constitutes a certificate that the paper has been read; that its filing is authorized; that to the best of his knowledge, information, and belief there is good ground to support it; and that it is not interposed for delay. When an applicant or party is represented by a registered firm, such papers must carry the signature of the firm, or the signature of an individual member of the firm or an individual registered attorney or agent employed by the firm and duly authorized to sign on behalf of the firm in addition to the firm name, and the certification constituted by the signing or presentation of the paper shall be a certification by and on behalf of the firm and by the individual.

§ 1.347. Removing names from registers. Attorneys, agents, and firms, registered to practice before the Patent Office, should notify the Office of any change of address for entry on the register, by letter separate from any notice of change of address filed in individual applications. The Office may address a letter to any person or

firm on the registers, at the address of which separate notice for the register was last received, for the purpose of ascertaining whether such person or firm desires to remain on the register. The name of any person or firm failing to reply and give the information requested within a time limit specified will be removed from the register, and the names so removed published in the Official Gazette. Any name so removed may be reinstated, either on the register of attorneys or the register of agents, as may be appropriate.

§ 1.348. Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) *Investigating and prosecuting officer.* The duties of investigation, preparing charges, collecting and presenting testimony, and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or, at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement.

(b) *Notice of proceedings.* Proceedings for suspension or disbarment shall be instituted by the Solicitor by mailing to, or otherwise serving on, the respondent a notice of such proceeding with a statement of the charges against

him, at the same time forwarding a copy to the Commissioner. It shall be the duty of the respondent to answer the charges as specified in paragraph (c) of this rule.

(c) *Answer.* The respondent's answer shall be filed in writing with the Commissioner within thirty days from the time the notice is served on the respondent, or within such extension of time as may be allowed by the Commissioner for good cause shown. The answer shall be under oath. Failure to answer within the time allowed will be taken as an admission of the charges. The respondent in his answer should specifically admit or deny every material allegation of fact in the statement of charges; every allegation not denied shall be deemed admitted, unless the respondent states that he has no knowledge thereof sufficient to form a belief, which statement shall be considered a denial. Any special matters of defense shall be stated affirmatively in the answer. False statements in the answer may be made the basis of supplemental charges.

(d) *Hearing.* (1) Unless the Commissioner finds the answer sufficient to dispose of the charges, he will set the case for hearing before him, notifying the respondent and the Solicitor of the place, day and time of commencement of the hearing. Evidence as to the matters in issue may be submitted at the hearing, the testimony of witnesses being presented orally, under oath and reported.

(2) The hearing may be advanced and continued by the Commissioner, as far as may be deemed convenient and proper.

(3) Depositions for use at the hearing in lieu of personal appearance of witnesses may be taken by either

the Solicitor or the respondent on application to and with the written consent of the Commissioner within such times and under such conditions as the Commissioner may prescribe.

(e) *Hearing officer.* The Commissioner may, in his discretion, delegate the conduct of the hearing to a hearing or trial examiner who shall be the presiding officer and who shall make a recommended decision.

(f) *Administrative Procedure Act.* Proceedings shall be governed, in matters not specially set forth herein, by the provisions of the Administrative Procedure Act, 60 Stat. 237; 5 U.S.C. 1001-1011, which may be applicable.

Section 2, Article 2, of the Integration Rule of The Florida Bar, 31 F.S.A.

"No person shall engage in any way in the practice of law in this state unless such person is an active member of The Florida Bar, in good standing, except that a practicing attorney of another state, in good standing, who has professional business in a court of record of this state may, upon motion, be permitted to practice for the purpose of such business only, when it is made to appear that he has associated and appearing with him in such business an active member of The Florida Bar."

Appendix B

CORRECTED COPY

Not final until time expires to file rehearing petition and, if filed, determined.

In the Supreme Court of Florida
January Term, A. D. 1962

State of Florida, ex rel. The Florida Bar, *Petitioner,* vs. Alexander T. Sperry, *Respondent.*	Case No. 31,411

Opinion filed April 4, 1962

Original Jurisdiction—Complaint from The Florida Bar

Sherwood Spencer, J. Lewis Hall, Donald J. Bradshaw, J. Nixon Daniel, Jr., and John H. Gunn, as and constituting the Special Committee of the Board of Governors of The Florida Bar on Patent Attorneys, Unauthorized Practice of Law, for The Florida Bar, Petitioner

Harry Kemker, for Respondent

O'Connell, J.

In this cause The Florida Bar, by petition filed in this Court, seeks to invoke the original jurisdiction of this Court asking that we require the respondent to show

cause why he should not be held in contempt of this Court for the unauthorized practice of law, and further that we enjoin respondent from further unauthorized practice of law in this state.

Basically the petition alleges that the respondent, Alexander T. Sperry, is engaged in the unauthorized practice of law, in violation of Section 2, Article 4, Integration Rule, The Florida Bar, 31 F.S.A., in that although he is not a member of The Florida Bar, hereinafter referred to as the Bar, he nevertheless holds himself out to the public as a patent attorney, maintains an office in Tampa, Florida on the door of which appear the words "Patent Attorney", and is so listed in the telephone directory of the City of Tampa and on the directory in the lobby of the building in which his office is located. Further, the petition alleges that the respondent represents Florida clients before the United States Patent Office, hereinafter referred to as Patent Office; has rendered opinions as to patentability and opinions as to whether or not patent rights are being infringed and are the subject of a cause of action in the courts; has prepared various legal instruments, including contracts, applications and amendments to applications for letters patent, and filed same in the Patent Office in Washington, D.C.; and has prepared briefs and authorities with points of law relating thereto.

Respondent filed an answer to this petition in which he admitted that he was not a member of the Bar, and admitted all the other allegations thereof with the exceptions or qualifications which follow.

As to advising clients on infringement of existing patents, respondent stated he did so only on one occasion

and that he did so as a part of his work in filing an application for a patent for a client. As to patent license agreements he alleged that he prepared such only in rough and never in finished form.

He denied that he had prepared any other contracts and denied that he had prepared briefs and authorities with points of law relating thereto.

In defense he also asserted, among other things, that he is duly admitted to practice before the Patent Office, having been admitted in 1928, and under the rules and regulations of that office he is authorized to use the nomenclature "Patent Attorney" even though he is not an attorney-at-law in any jurisdiction; the acts performed by him do not constitute the unauthorized practice of law; and that the injunctive relief prayed for would, if granted, deprive him of the ability to earn a living and deprive him of property without due process of law under the Constitution of Florida and the Fifth and Fourteenth Amendments to the United States Constitution.

The matter has been submitted on the pleadings. The material facts being admitted there is no need for the taking of testimony.

While not raised by either party the first question which we feel necessary for decision is whether this matter is within the original jurisdiction of this Court.

In 1956 the electorate of this state adopted a revised Article V of our state constitution. Section 23 of this new article gives this Court "exclusive jurisdiction over the admission to the practice of law and the discipline of persons admitted."

Quite obviously this matter now before us does not involve either the admission of an applicant to the Bar or the discipline of one already admitted. The question then is whether the authority imposed in Section 23, Article V, also carries with it the power to prevent the practice of law by those who are not admitted to the practice. We think that it must and it does for if it does not the express power to control admissions would be meaningless.

This identical question was raised in a similar case in *West Virginia State Bar v. Earley*, W. Va. 1959, 109 S. E. 2d 420. We adopt as ours the words that court spoke in disposing of the question, at 109 S. E. 2d, p. 440, to-wit:

> ". . . It would indeed be an anomaly if the power of the courts to protect the public from the improper or unlawful practice of law were limited to licensed attorneys and did not extend or apply to incompetent and unqualified laymen and lay agencies. Such a limitation of the power of the courts would reduce the legal profession to an unskilled vocation, destroy the usefulness of licensed attorneys, as officers of the courts, and substantially impair and disrupt the orderly and effective administration of justice by the judicial department of the government; and this the law will not recognize or permit."

The express power contained in our state constitution makes unnecessary any discussion of the inherent power of the courts to regulate the practice of law and those who engage in it. Were it necessary to do so there is abundant authority to support the view that the courts do have such power. *Petition of Florida State Bar Ass'n.* 1938, 134 Fla. 851, 186 So. 280; *Chicago Bar Ass'n v.*

Kellogg, 1949, 338 Ill. App. 618, 88 N. E. 2d 519; *In re Baker*, 1951, 8 N. J. 321, 85 A. 2d 505; *West Virginia State Bar v. Earley*, 109 S. E. 2d 420, supra.

The next question then is whether this Court may enforce its authority in such matters by either or both contempt proceedings and injunction.

The unauthorized practice of law constitutes a contempt of court. *West Virginia State Bar v. Earley*, supra; *In re Baker*, supra. See also Cases Noted, 6 Miami Law Quarterly 606.

In *Hargett v. Lake*, Kent. App. 1957, 305 S. W. 2d 523, as in this case before us, a proceeding was brought originally in the appellate court seeking to have a person held in contempt and appropriately punished for practicing law without license or right. That court adjudged the person involved to be in contempt and ruled that ". . . he is permanently enjoined from engaging in the practice of law."

Aside and apart from these decisions which support the view that a court may invoke contempt and injunctive powers to enforce its authority in such matters, this Court has constitutional authority for so doing.

Sec. 4(2), Art. V, Fla. Const., F.S.A. gives this Court the authority to "issue all writs necessary or proper to the complete exercise of its jurisdiction." Having held above that the authority to regulate the practice of law by those not admitted to the Bar is vested in this Court under the cited section of the constitution, it follows that the power to issue writs necessary to enforce its rules and orders applies to matters affecting the practice of

law as much as to any other rule or order within its jurisdiction to enter.

The next question for decision is whether or not the acts committed by the respondent constitute the practice of law in this state. If this is answered in the negative our work is at an end. However if we find such acts to amount to the practice of law then we must determine whether, respondent having been licensed to practice before it by the Patent Office, this state has the power to deny the respondent the right to so practice in this state.

This Court has not previously been called upon to decide whether the activities charged against the respondent, i.e. the work done by a patent attorney, constitute the practice of law if done in this state.

In *Petition of Kearney*, Fla. 1953, 63 So. 2d 630, 631, this Court said that:

> "It follows that those who hold themselves out to practice in *any field or phase of law* must be members of the Florida Bar, amenable to the rules and regulations of Florida Courts. . . ." (Emphasis added)

The Bar here urges that the practice of patent law is certainly a field or phase of law within the purview of this Court's opinion in the *Kearney* case.

There are however differences between the *Kearney* case and this one which require that we not treat it as dispositive of this case.

The petitioner Kearney was duly admitted to practice before the Supreme Court and the Tax Court of the United States and before the Treasury Department of the United States. He was not a member of The Florida

Bar. He sought permission to practice in Florida as "Federal Tax Counsel" with his court appearances to be limited to the federal courts and the departments above mentioned. This Court, in proceedings originating before it as in this case, ruled that the permission to practice in this state in the manner contemplated was not governed exclusively by the rules of the United States courts and departments; rather, it held that such would constitute the practice of law in this state and Kearney in order to do so would have to become a member of The Florida Bar, subject to the jurisdiction of this Court. In its opinion this Court cited Sec. 2, Integration Rule, supra, stressing that said rule provides that no person shall engage in any way in the practice of law in this state unless he is an active member of The Florida Bar.

In the *Kearney* case this Court obviously started with the premise that the activities which Kearney wished to pursue in this state constituted the practice of law. This Court did not discuss the question other than to state that the American Bar Association and many states hold that practice before the Tax Court and the Treasury Department may constitute the practice of law, citing decisions in support of this statement.

But in this case we cannot start with the premise that the activities of the respondent constitute the practice of law for he puts this question squarely in issue.

While the *Kearney* case may well stand for the proposition that practice before the Tax Court and the Treasury Department "may constitute the practice of law which may be enjoined if attempted by one not admitted to

practice" (63 So. 2d at p. 630) it cannot be said to hold that practice before any or all other federal administrative agencies necessarily constitutes the practice of law.*

The Bar cites the case of *Chicago Bar Association v. Kellogg*, 88 N. E. 2d 519, supra. In that case the court held that the person so charged, without prejudice to his right to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States Patent Office, should be enjoined from the following activities:

1. giving legal advice;

2. preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

3. rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

*The following paragraph appeared at this point in the original opinion of the court (Tr. 89a), but was deleted in the corrected opinion filed May 15, 1962 (Tr. 114):

"The Bar refers us to certain decisions of courts of common pleas in Ohio which are directly in point and hold that activities such as those of the respondent here do constitute the 'practice of law', *Marshall v. New Inventors Club, Inc.*, 1953, 69 O.L.A. 578, 117 N.E. 2d 737; *Battelle Memorial Institute v. Green*, 1961, 84 O.L.A. 353, 173 N.E. 2d 201 (See also *In re Battelle Memorial Institute*, Court of Common Pleas, Ohio 1960, 170 N.E. 2d 774 and 172 N.E. 2d 917). These are not decisions of courts with final appellate jurisdiction and we do not accept them as binding precedent but we have found the reasoning expressed therein to be helpful to a fuller understanding of the problem under discussion."

4. preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

5. participating, as an attorney, in legal proceedings:

6. in behalf of persons represented by him, threatening to bring suits against other parties;

7. preparing and serving notice of and asserting attorney's lien; and

8. charging and collecting fees for legal services rendered by him and rendered by him and others.

Apparently the court was not asked to and did not enjoin the preparation of applications for letters patent and of amendments to such applications. However, it did enjoin the charging of fees for legal services, including those wherein the Patent Office had jurisdiction.

Respondent's argument is that the practice of "patent law" is not the "practice of law." In support thereof he cites several cases which, while not actually in point, do strongly indicate the subject court's opinion to be that such practice is not the practice of law. *Zenith Radio Corp. v. Radio Corp. of America*, 121 F.Supp. 792 (D. Del. 1954); Application of Platamura, 1960, 22 Conn.Sup. 213, 166 A. 2d 859; *Public Service Traffic Bureau, Inc. v. Haworth Marble Co.*, 1931, 40 O.A. 255, 178 N.E. 703.

While few cases in other jurisdictions can be found relating to the question whether practice before the Patent Office constitutes practice of law, numerous decisions concerning such question as related to other agencies, departments and commissions can be found. There is lack of

uniformity therein as to whether such practice is the practice of law. See Annotation 111 A.L.R. 19 (1937), supplemented in 125 A.L.R. 1173 and 151 A.L.R. 781.

The Patent Office, in the sense pertinent here, is an administrative agency, not a court.

Yet it is not the nature of the agency or body before which the acts are done, or even whether they are done before a tribunal of any sort or in the private office of an individual, that determines whether that which is done constitutes the practice of law. The best test, it seems to us, is what is done, not where, for the safest measure is the character of the acts themselves. If they constitute the practice of law the fact that they are done in the private office of the one who performs them or before a non-judicial body in no way changes their character.

Many courts have attempted to set forth a broad definition of the practice of law. Being of the view that such is nigh onto impossible and may injuriously affect the rights of others not here involved, we will not attempt to do so here. Rather we will do so only to the extent required to settle the issues of this case.

It is generally understood that the performance of services in representing another before the courts is the practice of law. But the practice of law also includes the giving of legal advice and counsel to others as to their rights and obligations under the law and the preparation of legal instruments, including contracts, by which legal rights are either obtained, secured or given away, although such matters may not then or ever be the subject of proceedings in a court.

We think that in determining whether the giving of advice and counsel and the performance of services in legal matters for compensation constitute the practice of law it is safe to follow the rule that if the giving of such advice and performance of such services affect important rights of a person under the law, and if the reasonable protection of the rights and property of those advised and served requires that the persons giving such advice possess legal skill and a knowledge of the law greater than that possessed by the average citizen, then the giving of such advice and the performance of such services by one for another as a course of conduct constitute the practice of law.

We will use this measure in testing the acts of the respondent.

The first act to be performed by a person representing another who wishes to secure a patent on an alleged invention is to determine whether the device is patentable. As stated in *Marshall v. New Inventors Club, Inc.*, 117 N.E.2d 737, supra, at p. 739:

> "Not every alleged patent is patentable. Hence the rendering of an opinion as to patentability requires a knowledge of the patent statutes and of the decisions interpreting them. . . ."

A patent is undoubtedly a property right. It is difficult to see how any valid distinction can be made between advising one as to whether he does or does not have a cause of action in a court involving his rights and advising one that he does or does not have a patentable device, under the laws and decisions applicable thereto, and the right to protect the invention by obtaining a patent.

The advising of persons as to their rights under the law universally has been held to be the practice of law. We think that one who holds himself out to the public in this state as qualified to advise as to patentability and does so is engaging in the practice of law. The same is true of the act of advising as to infringement of patent rights. Both require extensive knowledge of the law, statute and case, in a field of the law that is as technical and involved as any known today.

A patent is variously described as a public franchise or as a contract. In all definitions it is apparent that:

> "A patent duly issued amounts to a contract between the inventor and the government, under which the public, through the government, agrees that, in consideration of the inventor's disclosure of his invention and the grant of the right to use it after his patent expires, he shall be protected in his exclusive use during the life of the patent. . . ." 69 C.J.S., Patents, Sec. 5.

> "Patent is a contract by which the government secures to the patentee the exclusive right to vend and use his invention for a few years, in consideration of the fact that he has perfected and described it and has granted its use to the public forever after. The general rules for the interpretation of grants and contracts govern its construction. . . ." *National Hollow Brake-Beam Co. v. Interchangeable Brake-Beam Co.*, 106 Fed. 693 (8th Cir. 1901).

As pointed out by the Supreme Court of the United States in *Topliff v. Topliff*, 1892, 145 U.S. 156, 12 S.Ct. 825, 36 L.Ed. 658, the terms of those contractual documents which constitute a patent make it one of the most

difficult of all legal instruments to draw with accuracy. In speaking of the matter in that case the Supreme Court of the United States said, at 145 U.S., p. 171:

> ". . . The specification and claims of a patent, particularly if the invention be at all complicated, constitute one of the most difficult legal instruments to draw with accuracy, and in view of the fact that valuable inventions are often placed in the hands of inexperienced persons to prepare such specifications and claims, it is no matter of surprise that the latter frequently fail to describe with requisite certainty the exact invention of the patentee, and err either in claiming that which the patentee had not in fact invented, or in omitting some element which was a valuable or essential part of his actual invention...."

It is thus apparent that the preparation of applications for patents, and amendments thereto, involves the preparation of the terms of an involved contract and proof of the right to have same issued by the government, requiring legal knowledge and skill far in excess of that possessed by the layman. The preparation of such documents is unquestionably the practice of law and the fact that the preparation and procedures are not done in a court but rather before an administrative agency does not change the character of the acts from legal to non-legal.

Not only is the basic question of patentability controlled by law and court decisions but equally important is the fact that interpretations of the rights protected in a patent are made by the courts. Therefore in drafting and preparing the application and amendments he who prepares the documents must have a clear knowledge of the effect of the existing law on the questions involved, else valuable rights of the inventor may be forfeited.

It is also important to note that the application for a patent, the "actions" or objections thereto issued by the examiner in the Patent Office, the "amendments" or answers filed to the "actions" by the applicant, and the final allowance or rejection by the examiner constitute the basis and subject matter of any appeal to a Board of Appeals of the Patent Office, and thereafter to the Court of Customs and Patent Appeals or to a federal district court, in the same manner that the record made in a trial court is the subject of review by an appellate court. In such a review of a decision of the Patent Office on a patent application the review is limited to the matters presented in the application and amendments thereto, and if these documents do not adequately reflect and present the applicant's rights, as required by law and the decisions of the courts, valuable legal rights, which if properly presented to the Patent Office might be saved on review, will be lost.

All that is done in the proceedings before the Patent Office must therefore be done with the view that what is done will or may ultimately be interpreted as to meaning and measured as to sufficiency by a court or courts.

All of these considerations buttress our conclusion that the preparation of patent applications and amendments thereto by the respondent for others in a representative capacity does constitute the practice of law. This statement would also apply to the preparation of licensing agreements and other contracts involving patent rights and interests therein.

The remaining question then is whether the respondent, by virtue of his admission to practice before the

Patent Office as a Patent Attorney, has the right to do these things in this state without being admitted to The Florida Bar.

We think this question was answered in the negative in the *Kearney* case, 63 So.2d 630, supra. As above noted, in that case we held that any one who holds himself out to the practice "in any field or phase of law" must be a member of The Florida Bar.

In other jurisdictions there seems to be a lack of accord on the question as it relates to practice before other administrative agencies of the federal government.

Respondent points out that in *Chicago Bar Association v. Kellogg,* 88 N.E.2d 519, supra, the appellate court in reversing the trial court on that issue refused to enjoin the patent attorney from preparing and prosecuting applications for patents, although it did enjoin him from preparing, drafting and construing "legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property." 88 N.E.2d at p. 527. The court did not explain why it refused to enjoin the preparation of applications for patents and amendments thereto. It did not state that it would not enjoin those acts because the respondent there was licensed by the Patent Office. On the contrary the court in its opinion, at 88 N.E.2d, p. 526, stated that:

> ". . . the issue before us is not what things defendant may do under the authority he claims from his license to appear before the United States Patent Office, but what things, if any, he has done in violation of the laws of the State of Illinois. . . ."

Just prior to making the above statement the court also said, at 88 N.E.2d, p. 526:

> ". . . The courts of the State of Illinois, and not the United States Patent Office, may determine what constitutes the illegal practice of law in this State. . . ."

It does not appear from the opinion that the court was asked to enjoin the preparation of application for patents and amendments thereto and this may be the reason why the court did not do so. No other reason is indicated in the opinion.

We do not think the opinion in that case supports this respondent's contention that the license to practice before the Patent Office gives him the right to practice as a patent attorney in this state.

Respondent also cites the case of *De Pass v. B. Harris Wool Co.*, 1940, 346 Mo. 1038, 144 S.W.2d 146; *Auerbacher v. Wood*, 1947, 139 N.J.E. 599, 53 A.2d 800; *In re Lyon*, 1938, 301 Mass. 30, 16 N.E.2d 74; and *Noble v. Hunt*, 1957, 95 Ga. 804, 99 S.E.2d 345. Each of these cases in some way supports the view that where a federal court or agency permits a layman to practice before it, a state may not prevent a layman who is licensed to practice before that court or board from such practice in the state even though such actions constitute the practice of law and practice of law by a layman is contrary to the policy of the state.

While we agree that each of the federal courts and each of those federal agencies which are authorized by Congress to do so may determine who shall be permitted to practice before them, we do not agree that such authority

in any way gives those bodies the authority also to determine that those licensed by it have the right to practice law, in the particular field involved, within the borders of this state.

It may well be that this state may not prohibit any person from appearing and practicing law before a federal court or agency in this state, if he be licensed by the federal court or agency, even though such person not be a member of the Bar of this state. But appearing before such bodies is an entirely different thing from a person holding himself out in this state as qualified to practice law before such federal bodies, maintaining an office in this state for that practice, and doing in this state the many things that are necessary to be done preparatory to the actual appearance before such bodies.

For example, if a United States Court of Appeals conducts sessions in this state attorneys from other states, not licensed to practice in this state, could not be prohibited from arguing before that court in this state, but they would not be permitted to establish an office and hold themselves out in this state as qualified to practice before the federal court unless they were first admitted to the Bar of this state. The *Kearney* case, 63 So.2d 630, supra, settled this point directly.

If we were to hold otherwise any person licensed to practice before the United States Supreme Court or any other federal court could establish an office and hold himself out in this state as being qualified to represent Florida citizens before those courts without this state having any control over their right to so hold themselves out, or any control over their actions.

As a further example, if the federal district courts in this state were to license non-lawyers to practice before them, these non-lawyers, under the rule contended for by respondent, would have the right to establish an office in this state and to hold themselves out to the citizens of this state as qualified to practice law before such courts and this state would be powerless to protect its citizens in the matter.

Fortunately no such dispute has yet arisen between the states and the federal courts and it is hoped that it never will. Generally speaking the federal courts permit only duly admitted lawyers to practice before them and the matter of determining whether persons shall be admitted to the Bar has been left to the states. It appears that it is only in the federal quasi-judicial and administrative agencies, such as the Patent Office, that the non-lawyer is licensed to practice.

As above stated, we have no argument with the power of such agencies to determine who shall practice before them, but we do not agree that their licensing of a non-lawyer is in anywise to be taken as proof that the work done before them is not the practice of law or that one licensed by them has the right by virtue of said license to hold himself out as qualified to do those things in this state.

It is generally held that a state acting under its police power has the right to define the practice of law and to determine who is qualified to practice within its borders. *Chicago Bar Association v. Kellogg*, 88 N.E.2d 519, supra; *Petition of Florida State Bar Association*, 186 So. 280, 285, supra; *Clark v. Austin*, 1937, 340 Mo. 467, 101 S.W.2d

977; *Richmond Association of Credit Men, Inc. v. Bar Association of City of Richmond*, 1937, 167 Va. 327, 189 S.E. 153.

We know of no provision in the Federal Constitution, or statutes for that matter, that gives to any federal body the power to determine who may practice law in the several states, or to define the practice of law within the states, and the respondent has cited us none. We do not think that the power to determine who may practice before it gives any such body the implied power to make either determination for this state.

We therefore hold that the license to practice before the Patent Office held by respondent does not give him the right to do in this state those things above listed.

The reason for prohibiting the practice of law by those who have not been examined and found qualified to practice is frequently misunderstood. It is not done to aid or protect the members of the legal profession either in creating or maintaining a monopoly or closed shop. It is done to protect the public from being advised and represented in legal matters by unqualified persons over whom the judicial department can exercise little, if any, control in the matter of infractions of the code of conduct which, in the public interest, lawyers are bound to observe.

It cannot be denied that the public suffers, as does both the public image of the legal profession and our judicial system, when those not qualified to do so are permitted to hold themselves out as qualified to practice law and as worthy of the trust and confidence of those who have legal problems the solution of which require ined advice and counsel.

If the truth be known the unauthorized practice of law by those not qualified and admitted actually creates work for the legal profession because of the errors and mistakes of those who for others illegally perform legal work they are not competent to perform. In this the members of the legal profession gain, but the unfortunate members of the public who were ill-advised lose, in some instances quite badly.

It is the effort to reduce this loss by the members of the public that primarily justifies the control of admissions to the practice of law, discipline of those who are admitted, and the prohibition of the practice to those who have not proved their qualifications and been admitted. As incidents of this system the administration of justice is aided and the public image of the legal profession is enhanced.

Here it should be said that no one who evidences the reasonable standards of education, training, experience, good morals and character required by the rules of this Court and who can pass the bar examination, which is given twice yearly, is denied the privilege of practicing law in this state. There is no quota or limit to the number who may be admitted.

In fairness to the respondent in this cause we make clear that nothing we have said in this opinion is intended to indicate that he is not in fact competent to perform those services which he has rendered or that the affairs of any citizen of this state have suffered at his hands.

It may be that he is fully competent to practice law, that he has the educational and other qualifications required of an applicant for admission to the Bar of this

state, and that he is well able to pass the bar examination, but until he has done so we have no way of assuring the public that he is qualified to practice law in this state.

Respondent argues that if we grant the injunction prayed for by the Bar we would deprive him of the ability to earn a living and deprive him of property without due process of law contrary to the guarantees of the Florida and United States Constitutions.

The issuance of an injunction by this Court will deprive respondent of the right to earn a living in the practice of law in this state, but it will take nothing from him to which he has any right, for he does not now have the right to practice law in Florida. Nor will it in any way affect his right to practice before the Patent Office in Washington, D.C.

The right to practice law is not a privilege or immunity of a citizen of the United States within the meaning of the Fourteenth Amendment to the Constitution of the United States. *West Virginia State Bar v. Earley*, 109 S.E.2d 420, supra, *Ginsburg v. Kovrak*, 1958, 392 Pa. 143, 139 A.2d 889, appeal dismissed 358 U.S. 52, 79 S.Ct. 95, 3 L.Ed.2d 40. See also *Petition of Florida State Bar Association*, 186 So. 280, supra.

Our conclusion, then, is that the respondent, until and unless he becomes a member of the Bar of this state, should be and is permanently enjoined from the following activities in this state:

1. using the term "patent attorney" or holding himself out to be an attorney at law in this state in any field or phase of the law (we recognize that the

respondent according to the record before us has already voluntarily ceased the use of the word "attorney");

2. rendering legal opinions, including opinions as to patentability or infringement on patent rights;

3. preparing, drafting and construing legal documents;

4. holding himself out, in this state, as qualified to prepare and prosecute applications for letters patent, and amendments thereto;

5. preparation and prosecution of applications for letters patent, and amendments thereto, in this state; and

6. otherwise engaging in the practice of law.

This injunction cannot and shall not in anywise be construed to affect any rights which the respondent has to practice before the Patent Office when done outside this state.

It appearing to us that the respondent has cooperated in seeking a determination of his right to do the things charged against him and has not willfully violated any order or rule of this Court which clearly settled the issues involved here, we do not feel that we should now hold him in contempt of this Court. We have no reason to believe that he will not obey the injunction contained herein. If he does, then an order in contempt will be appropriate.

It is so ordered.

Roberts, C.J., Thomas, Drew and Thornall, JJ., concur.

Appendix C

(133 U.S.P.Q. 49.)

Ohio Court of Appeals, Franklin County

BATTELLE MEMORIAL INSTITUTE v. GREEN et al.; In re BATTELLE MEMORIAL INSTITUTE

Nos. 6704, 6705 Decided Feb. 13, 1962

Rutherford, Judge, of the Fifth Appellate District, sitting by designation.

Two separate appeals having been combined for hearing, we will consider both in this opinion.

The first is an appeal on questions of law from a judgment in case No. 197,718 in the Common Pleas Court of Frankin County, Ohio, and is here on appeal as case No. 6704. This case was brought by Battelle Memorial Institute v. Merritt W. Green and thirty other persons, being the duly appointed, authorized and acting members of the Unauthorized Practice of Law Committee of the Ohio State Bar Association and as representatives of Ohio lawyers so numerous that it is impractical to bring them all before the court. In this action Battelle Memorial Institute sought a declaratory judgment declaring that services performed by Battelle through members of its patent section do not constitute the unauthorized practice of law.

The second appeal is also on questions of law, being from a judgment in case No. 196,819 in the Common Pleas Court of Franklin County, Ohio, and is here on appeal as case No. 6705. This case, which is captioned "In the Matter of the Unauthorized Practice of Law in

Franklin County, Ohio; In re: Battelle Memorial Institute," was commenced upon application to the Court of Common Pleas of Franklin County, by a committee appointed by said court with instructions to make an inquiry and investigation as to whether persons, firms or corporations are engaged in the unauthorized practice of law in Franklin County.

The charge, as contained in the application, is that Battelle Memorial Institute, although not qualified to practice law and not admitted to the practice of law in Ohio, is nevertheless, engaged in the practice of law in Ohio; wherefore, it was prayed that the court issue an order restraining and enjoining said Battelle Memorial Institute from engaging in the practice of law.

In each case the opinion, as rendered by the Common Pleas Court, has been published. One opinion appears in 84 Ohio Law Abs. 161, 127 USPQ 289, and the other in 84 Ohio Law Abs. 353, 127 USPQ 547. Pertinent facts, as set forth by the Common Pleas Court, and as disclosed by the evidence, concerning the organization of Battelle are:

> Battelle is a nonprofit corporation, organized to conduct scientific research for itself, for the United States Government, and for clients engaged in private industry, called "Sponsors." The complaint of unauthorized practice of law is limited to acts performed in connection with such "Sponsors," and solely to acts relating to patents.
>
> Battelle has a staff of some 2,300 employees, about 1,200 of whom are scientists. It has some fifty divisions divided into seven departments. Its total business in 1959 was about $23,000,000.

The legal department of Battelle consists of seven members. Five members of this department are licensed to practice law in Ohio, and one is a lawyer admitted to practice in Colorado.

The legal department contains a patent section which specializes in the field of inventions and patents. Four men devote all their time to patent matters and two devote about half of their time. Four members of the legal department (all attorneys) are registered in the U.S. Patent Office under the firm name of Gray, Mase and Dunson.

Because of the possibility that research of any kind might, and often does, include the possibility of a new invention and the obtaining of a new patent, every employee of Battelle, before being hired, is required to sign an agreement which obligates the employee to assign any and all inventions made by such employee to Battelle.

Every agreement with an industrial sponsor refers to Battelle's agreement with its employees, which requires them to assign their inventions to Battelle, and includes (in the agreement with such sponsor) a provision that if an invention is made during the course of the research on sponsor's project Battelle will notify the sponsor of this fact and permit the sponsor, at its election, to have such application and all rights to the invention assigned by Battelle to such sponsor. If the sponsor does not elect to exercise its option, Battelle remains the owner of the invention (after assignment by the inventor) and would normally complete the patent. The patent section files and processes the application for a patent until such time as a sponsor elects to take an assignment thereof. In such event, the sponsor has the option of permitting Battelle to continue until the patent is ob-

tained and actually assigned to the sponsor or of further processing the application with counsel of its own choosing.

The members of the legal department of Battelle are paid salaries by Battelle. By agreement with each sponsor, the expense of each project is paid by the sponsor. The time spent by each staff member of Battelle on each project, including scientists and members of the patent section, is kept and charged to the sponsor at a rate based upon the salary being paid to the persons performing the services.

The only tribunal in which members of the patent section work is the U.S. Patent Office. They appear in no courts of law, nor do they participate in any court proceedings.

The Common Pleas Court, in the declaratory judgment action, first found that a justiciable controversy did exist and then rendered judgment declaring as follows:

"(1) When salaried members of the legal department or patent section of Battelle, who are employed to perform recognized legal services for Battelle in connection with applications for, or work in connection with, the obtaining of patents or inventions, cease to perform such legal services exclusively for Battelle and perform them for industrial sponsors of Battelle, this constitutes an unauthorized practice of the law.

(2) When salaried members of the Legal Department or Patent Section of Battelle perform legal services in connection with an application for, or work in connection with, the obtaining of a patent or invention after an industrial sponsor of Battelle has requested an assignment of any such patent or inven-

tion under the terms of the sponsor-Battelle contract, whether by execution of a formal written election or by any other form of expressing its intent to acquire such patent or invention, they are no longer performing such legal services exclusively for Battelle but are in fact performing such legal services for such industrial sponsor, which constitutes an unauthorized practice of the law.

(3) From the evidence adduced at the hearing of this cause, the Court finds that certain of the salaried members of the Legal Department or Patent Section of Battelle have performed legal services in connection with applications for, or work in connection with the obtaining of patents or inventions after an industrial sponsor of Battelle has expressed its intent to seek an assignment of such patents and inventions under the terms of the sponsor-Battelle Contract, and that such legal services are for the industrial sponsors and constitute the unauthorized practice of law.

(4) The power to determine what persons may practice in the U.S. Patent Office is exclusively a power vested in Congress.

(5) A person is performing legal work when he performs such services as the drafting of contracts, applications for letters patent, amendments to applications for letters patent, affidavits and assignments, when he renders opinions as to the patentability, validity, infringement and interference in relation to inventions and patents, when he negotiates and drafts license agreements, and when he gives advice as to the rights and duties of persons and corporations and the fact that such services may be related to patents and inventions does not change the character of such services from legal services to non-legal services.

(6) The power to license persons to practice law is one of the police powers of each state.

(7) The power to admit a person to the practice of law is a judicial power and not a legislative power.

(8) The power to regulate, control and define the practice of law rests inherently in the judicial branch of the government.

(9) No agency of the federal government can dictate, define or limit the practice of law in Ohio.

(10) It is incorrect to say, that all work performed in connection with the obtaining of a patent or invention is necessarily non-legal, or is necessarily not the practice of law, simply because it is done under the rules and requirements of an administrative agency such as the Patent Office.

(11) The work done before an administrative agency may or may not constitute the practice of law, but if it does constitute the practice of law, and is done in Ohio, it must be done by persons who are duly licensed to practice law in Ohio.

(12) The State of Ohio has the right to say what constitutes the practice of law in Ohio, to prescribe the qualifications of those who may be allowed to practice law in Ohio, and to issue licenses to practice law in Ohio to those it finds are so qualified.

(13) The fact that under the rules of the Patent Office non-lawyers may be admitted to practice before such office does not in any way affect the determination by an Ohio court as to whether the performance of certain acts in the patenting of inventions constitutes the practice of law."

In the unauthorized practice of law action the Common Pleas Court made similar holdings to those declared in

the declaratory judgment action and then rendered judgment permanently enjoining Battelle Memorial Institute, acting through its officers, agents, and/or employees from further engaging in the unauthorized practice of law as hereinbefore set forth, for industrial sponsors of Battelle.

Battelle Memorial Institute has appealed from the judgments upon questions of law in each case.

Several errors were assigned, a principal one in each case being that the trial court erred in failing to hold that the federal government has exclusive power and control over admissions to practice in the U.S. Patent Office, so as to preclude any state from interfering therein.

Cross assignments of error were filed in case No. 6704 on the ground that the trial court erred in overruling defendants' motion for a judgment of dismissal in the declaratory judgment action, at the conclusion of the evidence by refusing to conclude that there was no controversy ripe for decision, that there did not exist a justiciable issue, that the controversy therein could not be terminated, and that the petition and the evidence did not establish a cause of action.

The Constitution of the United States provides:

> Article I, Sec. 1. "All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives."
>
> Sec. 8. "The Congress shall have the power to * * * promote the Progress of Science and Useful Arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries * * *."

Article VI. "This Constitution and the Laws of the United States which shall be made in pursuance thereof, * * * shall be the supreme Law of the Land; and the judges in every State shall be bound thereby, anything in the Constitution or Laws of any State to the contrary notwithstanding."

Amendment X. "The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or the people."

Under the power specifically delegated to Congress by Article 1, Sec. 8 of the United States Constitution, Congress enacted the provisions of Title 35 U.S.C.A. Sec. 31 and Sec. 32 in regard to Practice before the Patent Office.

Title 35, Sec. 31. "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

Title 35, Sec. 32. "The Commissioner may, after notice and opportunity for a hearing, suspend or exclude, either generally or in any particular case, from further practice before the Patent Office, any person, agent, or attorney shown to be incompetent or disreputable, or guilty of gross misconduct, or who does not comply with the regulations established under sec-

tion 31 of this title, or who shall by word, circular, letter or advertising, with intent to defraud in any manner, deceive, mislead, or threaten any applicant or prospective business before the Office. The reasons for any such suspension or exclusion shall be duly recorded. The United States District Court for the District of Columbia, under such conditions and upon such proceedings as it by its rules determines, may review the action of the Commissioner upon the petition of the person so refused recognition or so suspended or excluded."

Title 35, Sec. 33. "Whoever, not being recognized to practice before the Patent Office, holds himself out or permits himself to be held out as so recognized, or as being qualified to prepare or prosecute applications for patent, shall be fined not more than $1,000 for each offense."

Title 35, Sec. 152. "Patents may be granted to the assignee of the inventor of record in the Patent Office, upon the application made and the specification sworn to by the inventor, except as otherwise provided in this title."

Under authorization from Congress the Commissioner of Patents has enacted rules governing practice before the Patent Office.

Rule 31. "Applicants may be represented by an attorney or agent. An applicant for patent may file and prosecute his own case, or he may be represented by an attorney or agent authorized to practice before the Patent Office in patent cases * * *."

Rule 32. "Prosecution by assignee. The assignee of record of the entire interest in an application for patent is entitled to conduct the prosecution of the application to the exclusion of the inventor."

Rule 341(c) "Requirements for registration. No person will be admitted to practice and registered unless he shall apply to the Commissioner of Patents in writing on a prescribed form supplied by the Commissioner and furnish all requested information and material; and shall establish to the satisfaction of the Commissioner that he is of good moral character and of good repute and possessed of the legal and scientific and technical qualifications necessary to enable him to render applicants for patents valuable service, and is otherwise competent to advise and assist them in the presentation and prosecution of their applications before the Patent Office. In order that the Commissioner may determine whether a person seeking to have his name placed upon either of the registers has the qualifications specified, satisfactory proof of good moral character and repute, and of sufficient basic training in scientific and technical matters must be submitted and an examination which is held from time to time must be taken and passed. The taking of an examination may be waived in the case of any person who has actively served for four years in the examining corps of the Patent Office."

Rule 348. "Suspension or disbarment proceedings. Except as otherwise provided, proceedings for suspension, disbarment, or exclusion from practice are before a Commissioner.

(a) Investigating and prosecuting officer. The duties of investigation, preparing charges, collecting and presenting testimony and presenting a case for suspension, exclusion from practice or disbarment shall be performed by the Solicitor of the Patent Office or at his direction, by a designated law examiner or other person, and neither the Solicitor nor such law examiner or other person shall participate in any

manner in the decision of the case. If, upon investigation of a complaint or other information concerning an attorney or agent, it shall appear to the Solicitor that the grounds for suspension, exclusion from practice, or disbarment exist, he shall prepare and forward the necessary notice and statement."

The requirements for admission to practice before the United States Patent Office make it clear that skill in engineering and scientific matters and familiarity with patent procedures are as necessary as skill in legal matters, and persons who are not attorneys may qualify for admission as agents.

Normally, the practice of law is controlled exclusively by the judiciary. The reason why lawyers are officers of the court, and therefore subject to the control of the court is that they are admitted by order of the court. However, persons admitted to practice of law by the Ohio courts are not thereby qualified or authorized to practice in patent matters before the U.S. Patent Office. This power has been reserved by the United States Constitution to Congress, and in turn by Congress it has been granted only to the Commissioner of Patents. This leaves the Ohio courts in the position of being unable to exercise control over that which they do not have the power to authorize in the first instance.

The case of The Land Title Abstract and Trust Co. v. Dworken, 129 Ohio St., 23, and other cases dealing with practice of law, as distinguished from practice before the United States Patent Office, are not relevant, not being cases in which a superior right has been retained in the federal government by the United States Constitution.

Were the courts of each state to control practice before the United States Patent Office, thus usurping a right to control that which they cannot authorize in the first instance, by considering it to constitute the practice of law within their state; then the courts of the 50 states, by ignoring the provisions of Article VI of the United States Constitution, supra, could render the provisions of Congress in regard to practice before the Patent Office as enacted under the provisions of Article I, Section 8, of the United States Constitution, supra, a nullity.

It is our finding that the Commissioner of Patents, from the standpoint of unauthorized practice, has the exclusive right to determine whether the patent matters, in which Battelle participates through attorneys or agents employed by Battelle, are matters which constitute the business of Battelle due to a direct or primary interest of Battelle therein, or of Battelle by virtue of rights as an assignee as provided for under Title 35, Section 152, or Rule 32, supra, and whether Battelle is engaged in unauthorized practice before the Patent Office.

For the reasons set forth, we conclude that control of practice before the U.S. Patent Office is a superior right vested exclusively by the United States Constitution and by acts of Congress in the Commissioner of Patents, subject to appeal to the federal courts, and the state courts, by virtue of Article VI of the United States Constitution, are bound thereby and precluded from interfering.

There is, however, a distinction to be made between the right of the federal government to control practice in patent matters and the right of a state to control acts of a corporation, incorporated under laws of the state.

The power to authorize persons to incorporate has not been delegated to the United States by the Constitution, nor prohibited by it to the states. Therefore, under the provisions of Amendment X of the United States Constitution, the right to provide for incorporation, and to determine what acts corporations shall be authorized to perform, is reserved to the states respectively. The state legislature, under authority as granted by their respective state constitutions, have the power to determine, by general laws, for what purposes corporations may be formed. The states could prohibit incorporation entirely within their respective limits should they see fit to do so.

Battelle Memorial Institute was incorporated in 1925, under the provisions of Section 10092-1, General Ohio, as a charitable trust not for profit as provided for in the Will of Gordon Battelle, deceased. At the time of incorporation in 1925, Section 8623, of the General Code, was in effect and provided:

> "Except for carrying on professional business, a corporation may be formed for any purpose for which natural persons lawfully may associate themselves."

A similar provision is contained today in Section 1701.03, of the Revised Code, which provides:

> "A corporation may be formed for any purpose or purposes, other than for carrying on the practice of any profession, for which natural persons lawfully may associate themselves, * * *."

It thus appears that the Ohio legislature, which does have the right to enact general laws under which corporations may be formed (Ohio Constitution, Art. 8, Sec. 2),

has, by statute, precluded persons from incorporating for the purpose of carrying on "professional business" or "the practice of any profession." We will not discuss Section 1785.02, Revised Code, since it has no application to the facts of the instant cases.

Section 1701.04, Revised Code, now repealed, referred to in Battelle Memorial Institute's petition, would not be applicable in the instant cases. Section 8623, General Code, and Section 1704.03, Revised Code, have application to all corporations, but Section 1704.04, Revised Code, when in effect, was applicable only to corporations for profit, and would not include Battelle Memorial Institute, a corporation not for profit.

After consideration of this entire matter, we come to the conclusion that there are two ways of questioning the practices of Battelle, the first being to question whether Battelle is engaged in unauthorized practice in patent matters, as to which the exclusive right of control is vested by the United States Constitution in Congress, and, in turn, by act of Congress in the United States Patent Office; and the second being to question whether the acts of Battelle are ultra vires acts which are prohibited under the Ohio statutes governing corporations, which statutes the Ohio legislature has power to enact and the Ohio courts have jurisdiction to enforce.

If the practices of Battelle, carried on through its agents or attorneys, in matters as to which the right of control has been reserved by the United States Constitution and Congress in the Commissioner of Patents, are to be questioned as being unauthorized practice in patent

matters, the proceedings must be brought not before the Ohio courts but in the manner provided for by the acts of Congress passed under authority of Section 8, Article I, of the United States Constitution and Rules of the Patent Commissioner, authorized by acts of Congress, as hereinbefore set forth. This power in the federal government is exclusive and a superior right granted by the United States Constitution to Congress and, in turn, by Congress to the Commissioner of Patents, and the judges in every state are bound thereby.

If the acts of Battelle are to be questioned as being practices which are prohibited to Battelle as a corporation, by virtue of the Ohio statutes governing incorporation, then the action must be brought—

(a) In quo warranto as provided for under the provisions of Section 2733.01 et seq., Revised Code, which action can be commenced only in the Court of Appeals or the Supreme Court of Ohio in the manner as provided by said section.

(b) By a proceeding to enjoin Battelle, as a corporation, from ultra vires practices in an action commenced by persons authorized to practice as agents or attorneys before the United States Patent Office, who have a vested interest to protect.

In the case of Abstract and Trust Co. v. Dworken, 129 Ohio St. 23, the Supreme Court of Ohio, in paragraph seven of the syllabus, held:

"The right to practice law conferred by the state is a special privilege in the nature of a franchise and a possessor thereof may be protected by injunction from invasion of the right thus vested in him."

Practices before the United States Patent Office would not be an invasion of a right vested in an attorney by virtue of his franchise to practice law in Ohio, since such franchise to practice law in Ohio does not authorize practice before the United States Patent Office in patent matters; but from the logic of paragraph seven of the foregoing syllabus, it would follow that the right to practice as an attorney or agent before the United States Patent Office, as granted by the Patent Commissioner, under act of Congress, may confer a special privilege in the nature of a franchise, the possessor of which may seek protection by injunction from the invasion of the right thus vested in him; such action to be brought in a federal court if the invasion to be enjoined is unauthorized practice before the Patent Office, or in the state court of the state of incorporation, if the act is to be enjoined not as unauthorized practice but as the commission of an ultra vires act by a corporation.

We point out the foregoing not to state what can or should be done or to here determine in advance the validity of such proceedings, since to do so would be obiter dicta; but to point out that neither of the instant cases can be considered as quo warranto proceedings because neither was brought in compliance with the Ohio statutes governing such proceedings: also, to point out that if an injunction is sought in Ohio courts it must not be on the ground of unauthorized practice of law, as such, but on the ground that the acts of the corporation are ultra vires and prohibited, and that an injunction proceeding cannot be commenced by attorneys franchised to practice only in Ohio; but must be commenced by agents or attorneys

authorized to practice before the United States Patent Office, who are vested with a franchise right which is being invaded. In neither of the cases before us was there an allegation or evidence that all or any one of the members of the unauthorized practice of law committee against whom the declaratory judgment action was filed, or by whom the application in the unauthorized practice of law action was filed, are franchised to practice as either agents or attorneys in matters before the United States Patent Office.

If an action is brought in Ohio, either by quo warranto proceedings, or by agents or attorneys authorized to practice before the United States Patent Office seeking injunctive relief, the first question will be, whether as to the acts performed, Battelle has a direct or primary interest so as to authorize the performance of the acts by Battelle on its own behalf, as distinguished from acts performed for others. If it is determined that Battelle does not have a direct or primary interest in the acts performed, then the ultimate question will be: Not whether Battelle is engaged in "unauthorized practice of law," but whether Battelle is engaged in "professional business" or the "practice of a profession" within the meaning of Section 8623, General Code, and Section 1701.03, Revised Code.

Neither of the cases herein appealed can meet the requirements of a proceeding in quo warranto, or of a proceeding for injunction commenced by a party having a vested interest alleged to be invaded. Neither case was so treated in the Common Pleas Court and, therefore, in neither case did the Common Pleas Court make any determination of the ultimate issue in such cases, to wit:

Whether the practice complained of was an ultra vires act prohibited to the corporation, within the terms of the Ohio corporation statutes. The cases were filed and considered not under the Ohio statutes governing corporations, but solely from the standpoint of unauthorized practice of law in patent matters as to which the superior right is vested in the United States by the United States Constitution, by the provisions of which the courts of Ohio are bound.

It is our conclusion and finding that in case No. 197,718 in the Common Pleas Court of Franklin County, being case No. 6704 in this court, there was not a proper justiciable issue between proper and necessary parties. It will be ordered that the judgment of the Common Pleas Court be set aside and held for naught, and that the petition of Battelle Memorial Institute, appellant herein, be dismissed at costs of Battelle Memorial Institute.

In case No. 196,819, in the Common Pleas Court of Franklin County, being case No. 6705 in this court, the Common Pleas Court did not have jurisdiction by means of the issue raised and the judgment rendered to interfere with the superior right granted to Congress by the United States Constitution. The action was not a proper one brought by proper and necessary parties and the judgment of the Common Pleas Court is ordered set aside and held for naught, and the application is ordered dismissed at costs of the members of the unauthorized practice committee who filed it.

In case No. 6704, judgment of the Common Pleas Court is set aside and petition dismissed.

In case No. 6705, judgment of the Common Pleas Court is set aside and application dismissed.

McLaughlin, Presiding Judge of the Fifth Appellate District, sitting by designation, concurs.

Hildebrant, Judge of the First Appellate District, sitting by designation, dissents.

(346 Mo. 1038; 144 S.W.2d 146.)

DE PASS vs. B. HARRIS WOOL CO.

No. 36558.

Supreme Court of Missouri, en Banc

Nov. 9, 1940.

Clark, Judge.

Appeal from the circuit court of the City of St. Louis. The petition alleges that: defendant is a Missouri corporation; plaintiff is a duly authorized and licensed practitioner before the Interstate Commerce Commission of the United States; defendant, through its agent, employed plaintiff to represent defendant for a contingent fee in certain rate reduction cases before the Interstate Commerce Commission; plaintiff performed the services and prays judgment for the amount claimed to be due. The contract, which is referred to in the petition, made a part thereof and attached as an exhibit, indicates on its face that it was entered into in Chicago, Illinois.

Defendant filed a demurrer stating: that the alleged contract calls for services which, under the laws of Missouri, amount to the practice of law; that, as plaintiff does not allege himself to be and in fact is not an attorney at law, such contract is against the public policy

of Missouri and our courts will not lend themselves to its enforcement.

The trial court sustained the demurrer. Plaintiff refused to plead further and, judgment being rendered for defendant, appealed.

We shall continue to refer to the parties as plaintiff and defendant rather than appellant and respondent.

Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission has adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts IB 2(b). Such rules have the force and effect of law. Hiatt v. Wabash R. Co., 334 Mo. 895, 69 S.W.2d 627. Defendant does not dispute the validity of such rules and, by its demurrer, admits that plaintiff has been duly licensed to practice before the Commission. But, while conceding that plaintiff would violate no law by practicing before the Commission, defendant says that the courts of Missouri should not enforce the contract because it calls for services which, under the declared public policy of this state, may not be performed in this state by others than duly licensed attorneys.

As indicating our public policy defendant cites our statute defining the practice of law, Secs. 11692, 11693,

R.S.Mo.1929, Mo.St.Ann. §§ 11692, 11693, pp. 621, 622, and two decisions of this court, Clark v. Austin, 340 Mo. 467, 101 S.W.2d 977; Curry v. Dahlberg, 341 Mo. 897, 110 S.W. 2d 742, 112 S.W.2d 345. The statute provides that none but duly licensed attorneys shall practice law which, in part, is defined as the appearance as an advocate in a representative capacity before "any body, board, committee or commission constituted by law or having authority to settle controversies." In Clark v. Austin, supra, we held in the majority opinion, that the statute is a valid exercise of the police power and confines the practice before the State Public Service Commission to duly licensed attorneys. Curry v. Dahlberg, supra, was a suit on a contract made by two persons neither being licensed to practice law. The defendant, designating himself as a "rate expert" or "commerce expert," employed plaintiff to solicit on a contingent basis claims from shippers against railroads doing intrastate business for overcharges under the state statutes. The contract contemplated action, if necessary, both in State and Federal courts. Defendant employed lawyers to bring suits and, as many of the railroads were in receivership, much of the litigation was in Federal courts. We held the contract against public policy and void because it called for the practice of law by unauthorized persons and also because it was champertous.

In both those cases State law only was considered, no question of Federal law being involved. Also, none of the persons complained of had any license whatever to practice either before a court or commission while in the

instant case the plaintiff was duly licensed to practice before the Commission.

On his claim that we have the right to refuse enforcement of the contract, although it is legal for plaintiff to practice before the Commission, defendant cites: 11 American Jurisprudence, Secs. 125, 126, pp. 411, 413; Thurston v. Rosenfield, 42 Mo. 474, 97 Am.Dec. 351; The Kensington, 183 U.S. 263, 22 S.Ct. 102, 46 L.Ed. 190; Union Trust Co. v. Grosman, 245 U.S. 412, 38 S.Ct. 147, 62 L.Ed. 368; Grosman v. Union Trust Co., 5 Cir. 228 F. 610, Ann.Cas. 1917B, 613; Continental Supply Co. v. Trust Co., 52 N.D. 209, 202 N.W. 404; Campen Bros. v. Stewart, 106 W.Va. 247, 145 S.E. 381; Pope v. Hanke, 155 Ill. 617, 40 N.E. 839, 28 L.R.A. 568; Fox v. Telegraph Co., 138 Wis. 648, 120 N.W. 399, 28 L.R.A.,N.S., 490. The Kensington case involved the question of enforcement in the United States of a contract made in Belgium and all the other authorities cited relate to comity between states of this nation. It may be conceded that, except as otherwise provided by the United States constitution, the laws of a state have no force beyond its boundary; and that this court is under no compulsion to enforce, against the public policy of Missouri, a contract made in another state although valid where made and valid at the place of performance. That is not the question here. We are now considering the effect of a law of the United States the force of which does not stop at the boundary of Missouri. The constitution of the United States (Art. VI) provides: "This Constitution, and the Laws of the United States which shall be made in Pursuance thereof * * * shall be

the supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, authorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. Therefore, the performance of plaintiff's contract being legal in Missouri, how can we refuse to enforce it as being against the public policy of Missouri?

However, if the law authorized the Commission to meet in the City of Washington only, we would be compelled to reach the same conclusion. This, for the reason that the Interstate Commerce Act is the law in Missouri as well as in other parts of the United States; that Act authorizes plaintiff to practice before the Commission: being authorized to practice, he is authorized to make a contract for such practice, and, necessarily, such contract would be just as valid if made in Missouri as if made elsewhere. To hold otherwise would put us in the untenable position of denying to our own citizens privileges enjoyed by citizens of other states under a valid law of the United States.

Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such

practice falls within the police power of the states. So it does, except in so far as that right does not run contra to an Act "made in pursuance" to the Federal constitution.

It is the province of each state to define the practice of law, and to prescribe the qualifications and regulate the conduct of those who may engage in such practice, either in its own tribunals or outside any tribunal. Missouri has adopted a policy that the practice of law and the doing of law business, both in and out of its courts, shall be limited to persons with special qualifications and duly licensed as attorneys. In the main, we think the Federal government is not out of harmony with our policy. It also confines to lawyers the practice of law in its courts, and while it licenses some laymen to practice in some of its administrative bodies, it licenses only those whose moral character and technical knowledge fit them for such practice.

Defendant says: "this state may not, by legislation, judicial action or otherwise, interfere with a Federal function by a Federal commission or instrumentality, but nevertheless it may make paramount its own view of public policy by refusing to enforce contracts it regards as in violation of it." We think there are two answers to that: First, the laws of Missouri do not, and can not, declare a policy contrary to a law which is binding and valid in Missouri; second, our refusal to enforce a contract, made legal by Federal law, would "interfere with the exercise of a Federal function" to some extent, and if all the states should pursue the same course such contracts would be practically nullified.

In other words, our statute declares a policy against, and makes illegal, the practice by laymen before such boards as come within State jurisdiction; but does not affect, or declare a policy against, any right accorded by valid Federal law. The plaintiff's contract is valid under Federal law and that law is binding on the courts of this state.

Plaintiff cites a Massachusetts case (In re Lyon, 16 N.E.2d 74, 77) which, while differing as to facts, we think supports the conclusions we have reached. That was a proceeding to restrain unauthorized persons from practicing law. By paragraphs 9 and 12 of its decree the lower court restrained defendants "from representing creditors in proceedings in bankruptcy and from charging or collecting fees or commissions in or for any action, claim or suit hereafter brought or judgment hereafter to be obtained in the United States District Court." On appeal the supreme court, in substance, said: regulation of professions, such as the law, is primarily a matter of state concern; that the police power does not end merely because such matters may become in some way connected with litigation in Federal courts; that such power may be exercised to the full so long as its exercise in no way interferes with any Federal function; that it is the declared policy of the Commonwealth that only members of the bar should practice law or hold themselves out as authorized to practice law, but that "our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction." The court further said that if it be true that Federal law

permits a layman to make a business of representing creditors to some extent in bankruptcy, the court would not undertake to interfere with the exercise of that privilege. Paragraphs 9 and 12 of the decree were modified by adding a proviso "that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established practice of the Federal government or its courts controlling methods of practice in respect to matters within Federal jurisdiction."

We hold that the trial court erred in sustaining the demurrer to plaintiff's petition, and the judgment is reversed and the case remanded for trial.

All concur.

PER CURIAM.

The foregoing opinion by Clark, J., in Division One, is adopted as the opinion of the Court en Banc.

(301 Mass. 30; 16 N.E.2d 74.)

In re Lyon et al.

Supreme Judicial Court of Massachusetts.

Suffolk.

June 30, 1938.

QUA, Justice.

The single justice has reported for determination by the full court the questions whether an order made by him for final disposition of the cause is "too broad" as to the relief granted in certain respects hereinafter discussed.

By G.L.(Ter.Ed.) c. 221, § 46B, inserted by St.1935, c. 346, § 2, jurisdiction is expressly conferred upon this court upon petition of the Attorney General to restrain the practice of law by corporations or associations or by individuals who are not members of the bar in good standing. See, also, sections 46 and 46A, as inserted by St.1935, c. 346, §§ 1, 2; Opinion of the Justices, 279 Mass. 607, 180 N.E. 725, 81 A.L.R. 1059, and Opinion of the Justices, 289 Mass. 607, 194 N.E. 313. The respondents are not attorneys at law. They maintain a collection agency. They employ persons to solicit accounts from business houses and individuals. The single justice found, solely for the purpose of enabling the court to enter such order or judgment as might be warranted as matter of law, that the respondents maintain a legal department and furnish and render services requiring legal knowledge and skill. It is unnecessary to recite their activities in further detail, as for the purposes of this case it is plain that they must be taken to have been practising law unlawfully. In re Shoe Manufacturers Protective Association, Inc., Mass., 3 N.E.2d 746. By the terms of the order of the single justice the respondents are to be restrained from practising law in any form, directly or indirectly, through agents or otherwise, from representing themselves as having the right to practise, from supplying legal services, and from collecting any attorneys' fees for their own use. There are further more specific prohibitions in connection with some of which the questions reported arise.

By paragraph 8 of the order the respondents are to be restrained from threatening, expressly or by implication, legal action against debtors, to be brought either

by themselves or by their patrons. They concede that they cannot threaten that they themselves will bring suit, but insist that they should not be prevented from threatening that their patron, the creditor, will do so.

To determine whether a law suit may properly be commenced, and therefore whether it is justifiable to threaten to commence it, requires special knowledge of the legal elements constituting a cause of action. To make a business of acting for or advising others in these matters partakes of the practice of law. On the other hand, a creditor may bring an action himself without the intervention of a member of the bar. G.L.(Ter.Ed.) c. 221, § 48, and of course may decide whether or not he will do so or threaten to do so. And an individual may act through agents. See section 49. We think, therefore, that the respondents cannot on their own initiative threaten that one of their patrons will bring suit, nor can they advise him to make such threat. But we think they may at his express direction and acting solely as his agents or mouthpiece, without making any decisions of their own, and in a manner lawful in other respects, threaten that their patron will bring suit. Even if this is done habitually at the direction of various patrons it does not seem to us to involve the practice of law.

Paragraphs 9 and 12 may be considered together. The respondents contend that these paragraphs are too broad in prohibiting the respondents from representing creditors in proceedings in bankruptcy and from charging or collecting fees or commissions in and for any action, claim, or suit hereafter brought or judgment hereafter to be obtained "in the United States District Court."

The discussion on this point starts with the premise that we have neither power nor inclination to interfere in any way with proceedings in Federal courts, or before officers appointed by them. We further concede fully the Federal power finally to determine who shall practice law before these courts or officers. Matter of Ulmer, 268 Mass. 373, 393, 167 N.E. 749. But we are not satisfied that this ends the matter. The regulation in the public interest of occupations and professions such as those of law, medicine and others which, if uncontrolled, may develop methods and practices inimical to the public welfare, is historically and logically, and we think also legally, a matter primarily of State concern. Practice as an attorney in bankruptcy and other litigation in Federal courts commonly is not confined to acts performed in court or before judicial officers. See Opinion of the Justices, 289 Mass. 607, 613, 194 N.E. 313. Ordinarily it involves the maintenance of a place of business and the doing of acts similar to and concurrent with those done in relation to proceedings in State courts. When such practice is carried on by unauthorized persons the resulting evils are the same and reach out into the community in the same way as if the subject matter related to litigation in State courts. It would be almost impossible to separate the practice of law by persons practising in both jurisdictions into two watertight compartments, and regulation based upon an attempt to do so involving joint or complementary action by each jurisdiction as to each item of conduct would be weak and ineffectual. This Commonwealth and other States maintain elaborate machinery for ascertaining the qualifications of applicants for admission to the bar. G.L.(Ter.Ed.) c. 221, §§ 35-37. The

Federal courts, on the other hand, commonly rely to a large extent upon the evidence of qualification furnished by admission to practise in the State. See, for example, Rule 2 of the Supreme Court of the United States (1928), 28 U.S.C.A. following section 353, and Rule 3 of the District Court of the United States for the District of Massachusetts (1931, as amended 1934). The police power of the State to deal with matters of public morality and security against fraud, malpractice and injustice does not come to an end merely because such matters may become in some way connected with litigation in Federal courts. That power may be exercised to the full so long as its exercise in no way interferes with any Federal function.

It is the declared policy of this Commonwealth that only members of its bar should practise law or hold themselves out as authorized to practise law. G.L.(Ter. Ed.) c. 221, § 46A, as inserted by St.1935, c. 346, § 2. We understand not that the Federal government has adopted any policy in conflict with this, but rather that within its sphere, it pursues a similar policy of its own. U.S.Rev.Sts. § 747, U.S.C.Title 28, § 394, 28 U.S.C.A. § 394. And it is settled that in the matter of disbarment of an attorney either jurisdiction will give great weight to action taken by the other. Selling v. Radford, 243 U.S. 46, 37 S.Ct. 377, 61 L.Ed. 585, Ann.Cas.1917D, 569; Matter of Ulmer, 268 Mass. 373, 400, 167 N.E. 749. We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons

who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction. Within these limits enforcement of our act according to its terms does not interfere with any Federal function. But, if it be true, as the respondents contend, that Federal law permits a layman to make a business of representing creditors to some extent in bankruptcy proceedings, we do not undertake to interfere with the exercise of that privilege. The Federal decisions are not uniform as to the existence of the privilege. In re Mayflower Hat Co., 2 Cir., 65 F.2d 330; In re H. E. Ploof Machinery Co., D.C., 243 F. 421; In re Looney, D.C., 262 F. 209; In re N. S. Dalsimer & Co., Inc., D.C., 56 F.2d 644; Rinderknecht v. Toledo Association of Credit Men, D.C., 13 F.Supp. 555.

Our conclusion on this branch of the case finds support in Depew v. Wichita Association of Credit Men, 142 Kan. 403, 414-416, 49 P.2d 1041, certiorari denied 297 U.S. 710, 56 S.Ct. 574, 80 L.Ed. 997; Richmond Association of Credit Men, Inc., v. Bar Association of City of Richmond, 167 Va. 327, 342-345, 189 S.E. 153, and L. Meisel & Co. v. National Jewelers' Board of Trade, 90 Misc. 19, 152 N.Y.S. 913, affirmed 173 App.Div. 889, 157 N.Y.S. 1133.

The references to proceedings in bankruptcy and to the District Court of the United States will remain in paragraphs 9 and 12 of the order, but the wording of those paragraphs will be modified by adding a statement or proviso that they shall not affect the exercise by the respondents of any privilege which they now possess or may acquire under any statute, rule, order or established

practice of the Federal government or of its courts controlling methods of practice in respect to matters within Federal jurisdiction.

The thirteenth paragraph of the order ought not to have restrained the respondents from forwarding claims for collection, at the request and as the mere agents of the patron, to attorneys at law selected by the patron and between whom and the patron the full and direct relation of attorney and client shall exist. The respondents must not in any sense interpose themselves between the patron and his lawyer. They must not control the lawyer's conduct of the matters in his charge, or give him directions, or "split fees" with him, or receive any commission upon his fees or hold him out as their attorney. In re Maclub of America, Inc., Mass., 3 N.E.2d 272, 105 A.L.R. 1360; In re Shoe Manufacturers Protective Association, Inc., Mass., 3 N.E.2d 746; In re Thibodeau, Mass., 3 N.E.2d 749, 106 A.L.R. 542.

There is no occasion for express limitation of the acts prohibited to such as are performed within this Commonwealth. We do not undertake to regulate the practice of law in other States. Neither do we intend that our decrees regulating practice here shall be frustrated by anything which the respondents may do elsewhere in so far as we have jurisdiction to prevent it. The decree to be entered must be construed reasonably and enforced as occasion may arise in conformity with established principles.

The order of the single justice is to be modified in accordance with this opinion.

Ordered accordingly.

Appendix D

Portions of petitioner's "Answer and Defenses" and supporting brief below.

"Answer and Defenses"

"'. . . That on January 12, 1928, the respondent was admitted to practice before the United States Patent Office as a 'Patent Attorney' being registration No. 12,529" (Tr. 34).

"[Petitioner's] Brief"

* * *

B. The State of Florida Cannot Regulate the Activities of Practitioners Before Federal Administrative Agencies Who Are Not Lawyers.

Both lawyers and non-lawyers are entitled to practice before many federal administrative agencies. This is true of the United States Patent Office as it is provided in 35 U.S.C.A. § 31 that:

> "The Commissioner, subject to the approval of the Secretary of Commerce, may prescribe regulations governing the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Patent Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office."

The Rules of the Commissioner of Patents implementing this Statute as to patents are as follows:

"(a) *Attorneys at Law.* Any attorney at law in good standing admitted to practice before any United States Court or the highest court of any State or Territory of the United States who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of attorneys.

"(b) *Agents.* Any citizen of the United States not an attorney at law who fulfills the requirements and complies with the provisions of these rules may be admitted to practice before the Patent Office and have his name entered on the register of agents."

(Tr. 50-51.)

* * *

The Courts of various states have held that they had no authority to prohibit the representation of citizens of those states before federal administrative agencies by non-lawyers. Of first importance among these cases is the decision of *Chicago Bar Association v. Kellogg,* 88 N.E. 2d 519 (Illinois Appellate Court 1949). There the defendant had the same status as the Respondent in this case. The Chicago Bar Association was attempting to prevent the defendant from engaging in the same activity as the Petitioner here seeks to enjoin the Respondent from performing. In reversing the lower court, the Appellate Court spelled out the following decree:

"Accordingly, the decree of the Superior Court is reversed and the cause is remanded with directions to enter a decree *which shall be without prejudice to defendant's rights to advise and assist applicants for patents in the presentation and prosecution of their applications for patents before the United States*

Patent Office, but which shall enjoin the defendant from the following activities:

"1. Giving legal advice;

"2. Preparing, drafting and construing legal documents, contracts, including patent licenses and deeds, assignments and other evidences of transfer of title to or interests in patent and other property;

"3. Rendering legal opinions, including legal opinions relating to title to, and validity, infringement and enforcement of, patents and trade marks and rights therein and thereto;

"4. Preparing, drafting and filing pleadings and other legal documents and papers in suits at law and in equity, in courts of record and before administrative tribunals, other than the Patent Office;

"5. Participating, as an attorney, in legal proceedings;

"6. In behalf of persons represented by him, threatening to bring suit against other parties;

"7. Preparing and serving notice of and asserting attorney's lien under Section 14 of Chapter 13, Illinois Revised Statutes;

"8. Charging and collecting fees for legal services rendered by him and rendered by him and others." (emphasis supplied)

The clear thrust of this case is that the Illinois Court would not prevent the defendant from preparing and prosecuting patent applications before the United States Patent Office.

Various jurisdictions have refused to prevent persons not admitted to the Bar from representing citizens of the

state before federal administrative agencies when the practitioner was admitted to practice before the agency. The basis of these decisions is that it is not within the power of the state to prescribe who can practice before a federal administrative agency.

In the case of *De Pass v. B. Harris Wool Co.*, 144 S.W. 2d 146 (Supreme Court of Mo. 1940), the plaintiff, a non-lawyer, authorized to practice before the Interstate Commerce Commission, filed suit on a contract against the defendant who had employed him to represent the defendant on a contingent fee basis in rate production cases before the Interstate Commerce Commission. The defendant offered as its defense that the contract was void as against public policy as the plaintiff was not an attorney licensed to practice in the State of Missouri and hence performing of the services would be the unauthorized practice of law. In reversing the lower court's order sustaining the defendant's demurrer to the plaintiff's petition, the Appellate Court, the Supreme Court of Missouri, first observed:

> "Under the constitutional power of the Federal government to regulate commerce among the several states, an Act of Congress has created the Interstate Commerce Commission and given it the right to prescribe rules of practice before it. See 49 U.S.C.A. § 17(1). We judicially note that the Commission has adopted rules whereby, under specified conditions, persons other than attorneys at law may be admitted to practice before it. Rules of Practice before the Commission in Proceedings under the Interstate Commerce Act and Related Acts 1B 2(b). Such rules have the force and effect of law."

Then the Court said:

"It may be conceded that, except as otherwise provided by the United States Constitution, the laws of a state have no force beyond its boundary: and that this court is under no compulsion to enforce, against the public policy of Missouri, a contract made in another state although valid where made and valid at the place of performance. That is not the question here. We are now considering the effect of a law of the United States the force of which does not stop at the boundary of Missouri. The constitution of the United States (Art. VI) provides: 'This Constitution, and the Laws of the United States which shall be made in Pursuance thereof * * * shall be the supreme Law of the Land: and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding.' The Interstate Commerce Act, concededly made in pursuance to the Federal constitution, authorizes the Commission to hold sessions in any part of the United States. 49 U.S.C.A. § 19. Plaintiff's contract does not designate the place for the performance of his services. If the Commission should hold sessions in Missouri, under his contract and under his license plaintiff could represent defendant, not as a matter of comity, but by virtue of a law which is just as binding on this court as if it had been enacted by our own General Assembly. Therefore, the performance of plaintiff's contract being legal in Missouri, how can we refuse to enforce it as being against the public policy of Missouri?

"However, if the law authorized the Commission to meet in the City of Washington only, we would be compelled to reach the same conclusion. This, for the reason that the Interstate Commerce Act is the law in

Missouri as well as in other parts of the United States; that Act authorizes plaintiff to practice before the Commission; being authorized to practice, he is authorized to make a contract for such practice; and, necessarily, such contract would be just as valid if made in Missouri as if made elsewhere. To hold otherwise would put us in the untenable position of denying to our own citizens privileges enjoyed by citizens of other states under a valid law of the United States.

"[4] Defendant seems to argue that the right to define the practice of law and to regulate persons engaging in such practice falls within the police power of the state. So it does, except in so far as that right does not run contra to an Act 'made in pursuance' to the Federal constitution.

"[5, 6] It is the province of each state to define the practice of law, and to prescribe the qualifications and regulate the conduct of those who may engage in such practice, either in its own tribunals or outside any tribunal. Missouri has adopted a policy that the practice of law and the doing of law business, both in and out of its courts, shall be limited to persons with special qualifications and duly licensed as attorneys. In the main, we think, the Federal government is not out of harmony with our policy. It also confines to lawyers the practice of law in its courts; and, while it licenses some laymen to practice in some of its administrative bodies, it licenses only those whose moral character and technical knowledge fit them for such practice."

In the case of *Auerbacher v. Wood*, 53 A.2d 800 (Court of Chancery of N. J. 1947), plaintiffs in behalf of a certain county bar association in the State of New Jersey

brought suit against the defendant to enjoin him from the unauthorized practice of law. There the Court was faced with the problem of injunction against a labor consultant who practiced regularly before the National Labor Relations Board. The Court categorically foreclosed the authority of the State of New Jersey to deal with the question of who can practice before a federal administrative agency. It said:

> "Defendant also offers to represent the employer before administrative agencies of the federal government, especially before trial examiners of the National Labor Relations Board. An agency of the federal government, acting by virtue of an authority granted by the Congress, may regulate the representation of parties before such agency. In re Lyon, 301 Mass. 30, 16 N.E.2d 74. The State of New Jersey is without power to interfere with such determination or to forbid representation before the agency by one whom the agency admits. The rules of the National Labor Relations Board give to a party the right to appear 'in person, or by counsel, or by other representative.' Rules and Regulations, September 11, 1946, § 203.31. 'Counsel' here means a licensed attorney, and 'other representative' one not a lawyer. In this phase of his work, defendant may lawfully do whatever the Labor Board allows, even arguing questions purely legal.
>
> "It does not appear that the defendant's activities, actual or contemplated, constitute the unlawful practice of law, and so the bill must be dismissed."

In the case of *In re Lyon*, 16 N.E.2d 74 (Supreme Judicial Court of Mass. 1938), the question was presented to the Court of whether a layman could practice before the Bankruptcy Referee of the Federal District Court

within the State of Massachusetts. In enjoining the defendant, the Court asserted:

> "The police power of the State to deal with matters of public morality and security against fraud, malpractice and injustice does not come to an end merely because such matters may become in some way connected with litigation in Federal courts. That power may be exercised to the full so long as its exercise in no way interferes with any Federal function."

Then the Court said:

> "We concede that our policy and our statute must yield to any valid rule, order or established practice of the Federal courts controlling the practice of law in respect to matters within their jurisdiction, but we see no reason why our policy or statute should give way in favor of persons who seek to escape State regulation of the practice of law on the ground that their practice is within the field of Federal jurisdiction, when they are not authorized to practise in that jurisdiction." (p. 77)

We submit that the ruling of this case is that the respondent may practice within the Federal system without control when he has complied with the requirements of that system.

In the case of *Noble v. Hunt*, 99 S.E.2d 345 (Ga. Ct. App. 1957), the Court was presented with a suit by the plaintiff to recover for services rendered to the defendant as a certified public accountant. The defendant sought to defend on the theory that the plaintiff was seeking the recovery of fees for legal services and hence not being licensed as a lawyer was prevented from recovering for those services. The Georgia court summarily disposed of this argument in the following language:

> "All the proceedings in which the defendant was involved, and in which the plaintiff *represented* him, were before either the U. S. Treasury Department or the Tax Court of the United States, both of which allow qualified persons, other than attorneys at law, to represent clients in proceedings therein. Therefore, the contention that the plaintiff was seeking to recover for services performed as an attorney at law without being licensed is without merit." (p. 348)

When a federal administrative agency affords a non-lawyer the privilege of practicing before it the various states should not superimpose the requirement that a non-lawyer become a lawyer before he can practice before that agency. The federal administrative agency invariably exacts its own standards as to moral fitness and competence to practice before that agency. The United States Patent Office has demanding and precise standards governing the admission to practice before that agency and for policing the conduct of those admitted to practice before it. 37 C.F.R., Part 1, §§ 341-348.

Carried to its logical extreme, the position of the Petitioner is that despite the federal approval of non-lawyer by the federal administrative agency as a practitioner before it, the several states can impose an additional requirement: that that person become admitted to practice before the Courts of the state as an attorney. This requirement, if exacted by all of the several states, would make the category of patent agent and any other non-lawyer practitioner before such an agency a meaningless and empty status. The states, by such action, would deny what the federal government specifically sought to provide. (Tr. 52-59)

• • •

It is submitted that as the United States Patent Office has provided standards for the acceptability of non-lawyers as practitioners before it, that the State of Florida cannot and should not alter those standards. Surely some area of legitimate activity should be afforded to Respondent without requiring him to become a lawyer. The filing and processing of patent applications for Florida citizens would seem to be an appropriate area. (Tr. 60)

* * *

II.

PREVENTING THE RESPONDENT FROM REPRESENTING FLORIDA CITIZENS BEFORE THE UNITED STATES PATENT OFFICE BY REQUIRING HIM TO BE A MEMBER OF THE FLORIDA BAR WILL DEPRIVE THE RESPONDENT OF DUE PROCESS OF LAW UNDER THE FIFTH AND FOURTEENTH AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES.

The Constitution of the United States provides in Article I, Section 8, Clause 8, that the Congress shall have power

> ". . . to promote the progress of science and useful arts, by securing for limited times to authors and inventors, the exclusive right to their respective writings and discoveries."

Pursuant to this Constitutional mandate the Congress of the United States established the United States Patent Office as a Division of the Department of Commerce. 35 U.S.C.A., Sec. 1, et seq. As part of its statutory scheme Congress empowered the Commissioner of Patents to establish regulations covering the "recognition and conduct of agents, attorneys and other persons representing

applicants or other parties before the Patent Office . . ." Under this authority the Commissioner of Patents promulgated certain regulations hereinbefore referred to (37 C.F.R., Part 1, Sec. 1.341-348), which provide for the registration of attorneys at law and agents as persons permitted to practice before the United States Patent Office. These regulations have the force and effect of law. *In re Briley's Estate*, 21 So.2d 595 (Supreme Court of Florida 1945) . . . (Tr. 66-67)

* * *

In matters exclusively reserved to the Congress of the United States, the Federal power is supreme. Article I, Section 8, Clause 8 is one of the enumerated powers of Congress. The State of Florida enjoys no concurrent power with the Federal Government to regulate matters within the field of patents. More specifically, the State of Florida cannot add a requirement to those established by the United States Patent Office to define who may practice before that Office. See cases cited under Point I, subsection B of this Brief. The application of Section 2, Article II, Integration Rule of the Supreme Court of Florida or Florida Statutes, Section 453.23, to require the Respondent to become a member of the Florida Bar before engaging in the practice he now enjoys before the United States Patent Office, would render them unconstitutional in application in that such construction would deprive the Respondent of due process of law within the meaning of the Fifth and Fourteenth Amendments of the Constitution of the United States. (Tr. 68-69)

* * *